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19 July 1983

## NEAR EAST/SOUTH ASIA REPORT

No. 2786

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PROBLEMS OF STORAGE DISCUSSED

Algiers EL MOUDJAHID in French 21 Jun 83 p 2

[Article by Arezki Boutrahi: "Storage: What Strategy?"]

[Text] One has only to take a tour of the warehouses and platforms in our harbors, or even in the vicinity of the Algiers International Fair and certain neighborhoods on the outskirts of the capital, to get an idea of the conditions under which durable goods, merchandise of all kinds, food products and even pharmaceuticals are stored.

This is, unfortunately, a valid finding not only for the capital, but for many of the country's centers, whether they are port cities or cities and villages in the interior.

We all remember the Mascara sweet potato mess, to mention just one case, which was only resolved in recent years, when proper cold storage rooms were built.

The fact is that today, in the last year of the five year plan, there are situations here and there as grotesque as the Mascara case, raising the problem of storage in Algeria in clear terms. We will go farther by speaking of the need for a judicious storage policy. Because our country, which has made definite progress in most of the activity sectors, runs up a chronic deficit in this area. The reasons, which seem complicated to some, are in reality extremely simple. They fall within the famous context that requires priorities to override other priorities.

And if we add to this a lack of initiative, building difficulties, but also the absence of sites, such situations can be effectively explained to some extent.

That being the case, we must not forget that our country, thanks to the accelerated development undertaken to achieve progress, has acquired and continues to acquire durable goods commensurate with the ambitions of the various plans adopted. The PAP [expansion unknown], which in recent years has come to reinforce the effort of the state to satisfy the populations' social needs, has also found expression in massive importation. The national production units, for their part, have become increasingly operational and are raising traffic flow problems and consequently, storage problems.

We have often had occasion to call the attention of the officials concerned to this fact, especially when the port of Algiers was repeatedly blocked, followed by blockage of the country's secondary ports. In fact, our ports have always tended to play the role of storage areas, whereas their primary function is exactly the opposite. The idea of transit area and that of storage area having been too often confused by many national operators, to the detriment of an integrated national development policy that reasonably required that people consider the urgent necessity of giving each operator adequate storage structures.

The result is that, although efforts have been made by some companies, most of them have not developed that sector. We recall those areas under Customs that were set up nearly everywhere; significant tonnages of materials and equipment acquired at full price that became moldy on the docks sometimes because a simple export permit had not been established. It is not our intention to recall here all the past situations we have had occasion to mention in these columns. But it was proper to refer to them in order to better underline the urgent necessity that exists to grant more credit for building storage structures in the broadest meaning of the term.

Even today one is quite amazed to notice in walking around the large areas of the Algiers Fair and almost everywhere in the capital's "hidden" quarters, durable goods with their packaging ripped open, stored in the open air for several months, sometimes for years. Exposed to bad weather. From a refrigerator to a compressor, from a tractor to a Honda--there was one time when ambulances were stored for several months at the Fair--, an entire lot of equipment that was very much in demand was left in "open" storage, as the sole responsibility of an elderly watchman.

Why? Many excuses are invoked. Reasons that are more or less legitimate, but often fantastic, but no operator will ever tell you that the responsibility was his. Managing the storage of these public goods has often occasioned, and still occasions, significant economic jeopardy for our public funds.

At a time when the wealthiest countries are exhibiting restrictions and austerity, we are still finding in this country certain irresponsible attitudes that are synonymous with wasting the state's money. Because if that were not true, how could equipment acquired at full price still be permitted to lie fallow on insalubrious ground?

We have carried out an investigation with certain operators, large importers of products, consumer products in particular. Their storage structure needs are just simply considerable, and the envelopes allotted to building them are consistent with those needs. However, there have been significant delays in building these structures, the urgent need for which no longer has to be demonstrated.

ONACO [Algerian National Marketing Office], whose important mission everyone is aware of, is playing a primary role in supplying the people with food products that are under monopoly. The office, it seems, will soon have other more strategic missions having to do with importing, reception, distribution and marketing of a very wide range of products for broad consumption.



Implanted throughout the extent of the national territory, this company is being directly confronted with the questions of supplying the people for whom it is responsible. But, knowing the nature of the so-called strategic products "handled" by the office, it should have at its disposal a suitable infrastructure for storage and distribution.

ONACO currently has 306,000 square meters of storage area divided between 60,000 square meters which are the property of the office, 11,000 of them devoted to port units, and the remainder, 223,000 square meters, leased to the public sector. The office has been forced to lease, from the private sector, 23,000 square meters, in order to respond even slightly to its anxiety on the subject.

As far as cold areas are concerned, ONACO has a capacity of 13,200 cubic meters, of which only 5,600 belong to it, the remainder being leased to third parties. The first finding is that these capacities, which appear to be relatively significant, are actually not, because they are scattered throughout 450 locations. In addition, they are small-capacity premises that are often cramped and many of which are ancient. Thus most of them are unsuitable for heavy storage; this inevitably brings higher costs and so many additional charges for this office.

As an example one may remember that ONACO, in 1982 alone, handled a commercial value equal to 1,340,000 tons of food products that are under monopoly which shows how absurd present capacities are. It is well known that the essential space that would enable the office to be responsive to the needs while providing so-called strategic storage hovers around a 112,000 ton capacity.

The present deficit is 64,000 tons. which is a very important difference. For distribution--commercial units and security storage--the office should have some 380,000 square meters, whereas at present the capacity is only 240,000 square meters, for a deficit of 140,000 square meters.

It should be stated, however, that considering the fact that the storage areas are no larger than 1,000 meters per unit, they must consequently be replaced, which means that the deficit will be 120,000 square meters greater, bringing the total deficit to 260,000 square meters.

This is undoubtedly why the company, under the Five Year Plan, provided for 133 plans for 200,000 square meters of area and an appropriation of 1.2 billion dinars.

Given the importance of such a program, we can only rejoice in the fact that this office took the initiative to try to establish the basic instrument of its policy. In fact, we can say that at present ONACO is agreeing to sustained efforts in this area, as it has done for the past several years, and it is also disposed to increase them, given its capacities. Nevertheless--and this is one of the essential reasons why the storage structures are still far below the needs--, the office finds itself confronted with building problems. A sizable handicap that causes significant delays and undeniably upsets our national storage policy.

ONACO's example is therefore obvious. Eighty projects of the 133 written into the Plan were entrusted to a supervised development company, the SN REGMA [National Company for Market Promotion, Creation and Management], in accordance with instructions from the government by means of a framework contract. An excellent transaction if each party lived up to its commitments. But it seems that the development company concerned is somewhat lacking in this respect, that most of the projects entrusted to it show only one rate of realization, between 5 and 10 percent, rarely reaching 20 percent. Most of the projects and framework contracts were signed last year.

Beyond those projects, which therefore are still subject to delays, we have learned that other companies have also entrusted projects to SN REGMA, which, in light of that company's capacity, seems absurd. The reason is undoubtedly that it called for subcontracting. In this connection, officials told us that they were completely ready under such conditions to entrust their projects to subcontractors, if they were permitted to do so. The advantage would be that many projects that were pending could no doubt be completed in the stipulated time frame. It was pointed out to us each time with regard to studies that types of studies exist for certain projects, and that therefore only adaptation to the soil should be taken into consideration.

To get back to ONACO, it should be recalled that this office, which will be affected by the restructuring and will be responsible for an important supply, distribution and marketing mission, will suffer the delays that until now have occurred in developing the various projects; unless these delays are more successfully made up, they will increase to the point of creating a chronic deficit causing needs to grow. Urgent and appropriate solutions must therefore be implemented if the office's system is not to reach the saturation point.

At SONACAT [National Sales Company], another company under the Ministry of Commerce, the problems of storage structures, however significant, are nevertheless turning out to be easier to approach. In fact, of the 122 projects written into the Five Year Plan, 33 are under construction and 8 are already operational. SONACAT, which has entrusted most of its projects to companies supervised by Housing, Energy and Heavy Industry, has also signed contracts with governorate firms, ECOMÉWA [expansion unknown] in particular, which "built a 3,000-square-meter depot in only 4 months." The reason was, the general manager of SONACAT told us, that "we have entrusted other projects to that very reliable company."

For SONACAT, then, the most serious problem holding up the building of storage structures arises at the level of the capital, where for the last several years the Regional Distribution and Industrial Equipment Unit, which is to be established in Algiers, has found itself blocked. A parcel of land was granted in due form to the company, in the Oued-Smar Zone. But "the RSTA [expansion unknown] claimed part of the land, despite all the instructions and calls to order on the part of the appropriate authority." Because of this attitude, "the project is in abeyance, since the building site is frozen." When we are familiar with SONACAT's needs for storage and the kind of materials it handles, we are amazed that measures have still not been taken to settle this question, which is in danger of dismantling the serious efforts deployed by this company, which has proved itself. Perhaps it should be noted that the RSTA is using

part of the land it "nationalized" to store the carcasses of buses that should really be in the smelter.

As may be seen from this distressing example, it is sometimes difficult, quite simply for lack of authority, to realize certain projects that are in fact only in the general interest. The result is that nearly everywhere we see refrigerators, washing machines and a wide range of industrial materials and equipment stored under conditions that are disastrous for profits, as is the case with the scrap heaps. The choice is no longer debatable, without a doubt, under such conditions.

OFLA [Algerian Fruit and Vegetable Office], which is well known for its tight distribution network and its souks [marketplaces] is another company we selected for its wealth of experience, which can be turned to advantage. In fact, this office accustomed us to initiatives that are often criticized but, once they are realized, they are generally acknowledged as interesting. It is an interesting company to cite, given the products handled, especially the fruits and vegetables, which are perishable and so require the famous cold storage. At the general management of the OFLA they informed us that there are rightly two kinds of storage. The speculative kind of storage, which consists of extracting from the market products that are in abundance, to store them in order to bring them out again when they become scarce and higher in price. This type is encountered chiefly in capitalist countries.

The other type of storage consists of protecting the level of the producers' prices by preventing waste when production is high, and thus regulating the market.

Therefore the cold system does not necessarily have to be a large one, especially for fruits and vegetables, which have a rather short life. The cold system, then, must be instead a regulating system that takes production and consumer needs into account.

OFLA currently has a capacity of 200,000 cubic meters of cold storage, which corresponds to storage of 70,000 to 100,000 tons of products. Which means that the present storage capacity exceeds the quantities that are surplus in relation to the demand. The explanation for such a storage capacity is that production forecasts predicted large surpluses in the beginning. Under the Five Year Plan the completion of seven warehouses is forecast by the end of 1984, having a capacity of 105,000 cubic meters, the reason for this being a concern for putting a permanent end to the famous "undergrowth" storage. Parceling out these storage areas is being according to areas with heavy production and those in which consumer demand is also the heaviest, to prevent breaking into stored supplies as well as simultaneous tension in the market. Where transportation is concerned, the capacity consists of 35 refrigerated semi-trailers with a 700 ton load capacity. As to structures for classic storage, the office has demonstrated that it would be possible in the near future to build them without much effort and very quickly.

Precise examples were cited. It takes about 6 months to build 3,000 square meter storage warehouses with the aid of SN METAL [National Metal Construction Company] superstructures. On the other hand, when we hear it said that for cold storage equipment, foreign aid must be requested, we cannot help being surprised since



OFLA has built cold chambers in record time with locally manufactured products and equipment from this country. This was the case with the SEF [expansion unknown] cold chambers in Douera, which were built in 15 days. Fifteen days to build three cold chambers with a capacity of 50 cubic meters each. Only the refrigeration equipment was imported by SONACAT. This was undoubtedly a feat, but compared to the methods and excuses put forth by other companies that were endowed with every means for building, one can only feel satisfied. Do the companies responsible for building storage structures want us to believe, then, that such structures are inevitably condemned not to see the light of day until after there have been very expensive studies and calls for international bids? We doubt it, because in order to store, we certainly need warehouses right away. Something that can be done, even at the commune level and without, for all that, calling for "specialists." Then why? It might be interesting to create a firm at the national level and seriously make it responsible for tackling all these questions and making all operators with experience in the field participants in an eventual national seminar. To confront initiatives and experience and attempt to resolve once and for all this question of storage, which will inevitably raise that other topical question that is linked with it and concerns the management of storage. An open dossier.

#### FOOTNOTE

1. [No reference to this footnote in the text] In this connection, it should no doubt be stated that on several occasions we attempted to contact the officials of SN REGMA, but we were finally informed that "the management could not give information to the press without the support of the supervisory ministry, in this case the Ministry of Commerce." This surprises us, inasmuch as we have always been very well received and informed by that ministry, especially its highest officers. It is also surprising that this has never been said to us by the other supervised companies, which have always facilitated our information-gathering mission.

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CSO: 4519/257

# SOCIO-ECONOMIC DEVELOPMENT PLAN SURVEYED

Kabul NEW TIMES in English 25, 26 May 83

[25 May 83 p 3]

[Text]

The indices of the annual socio-economic developmental plans of the years after revolution indicates a considerable increment in the financial figures-including different sectors of the national economy.

The developmental socio-economic plan for 1362 (began March 21, 1983), is based on evaluation of the developmental activities and analysis of the effective factors of 1361, indicates increment in percentage of the socio-economic indices. The purposes of the plan as a whole are: strengthening public sector of the national economy through efficient utilisation of the present capacities and potentials and setting new productional targets, expansion of socio-cultural services (education, eradication of illiteracy, health services, cultural services), strengthening and expansion of foreign trade through better and management of local trade especially by reorganising retail trade, reasonable utilisation of the local

resources and foreign assistance for utilisation of the economic infrastructures, rehabilitation of the damaged institutions, ensuring 6.6 percent of the gross national product, and finally strengthening defensive power of the country.

The volume of the developmental investments in 1362 is expected to be 12.8 billion Afghanis. The investment will be financed from 5.8 billion Afghanis (44.5 per cent) of the local resources and 7.1 billion (55.5 percent) from the foreign aids.

With this amount of money 181 transitional projects will be completed, work on 36 projects will be started and 36 other projects will be drawn up.

Due to the imperialistic nature of some of the Western countries and their relevant financial institutions, the assistances promised for financing some of the projects were not rendered. Therefore, in 1362, from the foreign exchange reserves, of the Central Ba-

nk a sum of 44.35 million dollars will be spent on those projects through developmental budgets.

During the year, Afs 529.8 million have been cut from the total Afs 5700 million developmental budget and added to the ordinary budget.

Thus, the state's 1362 development investments will amount to 14688.5 million Afghanis showing an increase of 35.6 per cent compared with last year's total volume of expenditure.

With the credit granted by the Central Bank, the total investments from the domestic sources reach 7.59 billion Afghanis.

In the developmental socio-economic plan of 1362, mines, industries and energy with a total investment of 5.1 billion Afghanis (34.7 per cent) stands first, social services, 3.9 billion or 26.9 per cent, second, transportation, 3906.7 million Afghanis (26.6 per cent), third agriculture and irrigation, 1.7 billion or 11.5 per cent of the whole developmental investments fourth.

Mines, industry and energy sectors:

For the year 1362, production of coal is expected to be 145000 tons, of cement 140,000, textiles 60 million

metres, woolen textiles 270,000 metres, sugar 45000 tons, processed cotton 8000 tons, reinforced concrete products 25.8 thousand cubic metres, wheat flour 123,500 tons vegetable oil 4020 tons.

Comparing with the last year's data, an increase of 3.6 per cent, 30 per cent, 11.7 per cent, 6 per cent and 66.8 per cent is expected respectively this year.

In the mines sector, explorational programmes in the petroleum and gas areas of the North, copper mines of Ainak and those of adjacent to Kabul will be accelerated. Over-growth of the gas reservoirs will be reached 1.5 billion cubic metres, and those of copper 450,000 tons. A considerable increase is expected in the extraction of gas, coal and salt this year.

In 1362, production of electricity will be 1123 million kilowatts per hour or 11.9 per cent more than that last year.

In the composition of the foreign aid envisaged for the year 1362, the share of the COMECAN is 88.3 per cent of which share of the Soviet Union is 75.6 per cent and those of the other countries and international organisations is 10.7 per cent.

[26 May 83 p 3]

[Text]

Agriculture and livestock sector:

In 1362 the volume of the cereal production will be 4,550,000 tons of which wh-

eat will be 2,896,000 tons, rice 475,000 tons, corn 807,000 tons. Production of seed cotton will be 70,000 tons, and of sugarbeet 50,000 tons.

000 tons. Production of meat is expected to be 234,000 tons and that of Karakul pelts 1,480,000.

Urea and phosphate chemical fertilisers will be distributed 608 per cent more than the previous years to the individual farmers and members of the co-operatives.

For raising agricultural production 10,000 tons of fortified wheat seed 1000 tons of cotton seed five tons of sugarbeet seeds and 10,000 tons of chemical fertilisers, assisted of the Soviet Union, will be given to the peasants.

Twenty five agricultural cooperatives will be established in the current year. In the livestock sector, 60,000 heads of cows and buffaloes and 100,000 heads of sheep will be added to the total number of livestock in the country. So at the end of the current year, Afghanistan will possess 3.8 million cows, and 19 million sheep.

The value of the net state product in the agricultural sector in the current year will amount to 208.2 million Afghanis which is 73.2 per cent higher compared with last year.

In the irrigation sector, 20.5 thousands hectares of land will either come under irrigation or its irrigation system be improved.

As a result of these measures, the gross agricultural product will amount to 88.2 billion Afghanis with an increase of 1.6 billion Afghanis compared with the previous years.

In 1362, the total volume of the goods transportation within the country is expected to be 29.3 million tons showing an increase of 25 per cent. Of the total tonnage the share of state sector will be 1.1 million tons.

#### Transportation sector:

Circulation of goods through vehicle transport would be 2556.4 million tons of which 316.4 million tons will be carried on by the state sector. Comparing to the preceding year it shows an increase of 4 and 44.4 percent respectively. While movement of the passengers is expected to be 479 million passenger kms by the vehicle transport.

The average number of the busses will reach 9847 of which 844 will function under government sector.

Circulation of the goods and passengers through air transport in 1362 will reach 6.5 million tons kms and 93.9 million passenger kms when compared to the preceding year.

A reduction of 59.3 and 56.7 per cents will be evident respectively.

#### Communication Services Income:

On the basis of 1357 prices it will amount to 350 million Afghanis compared to the previous years, show a six per cent increase.

A growth of 26.7 percent comparing to the last year will be witnessed in the field of literacy in the current year. This year 739000 persons will learn how to read and write in 3690 literacy courses all-over the country.

At the beginning of the academic year, the number of the students will reach 1659600. Comparing to the last year, this shows an increase of 18 per cent in public education.

Eighty percent of school children will be enrolled in schools showing an increase of 33.6 per cent comparing last year.

In the three higher-educational institutions totally 4205 students will be enrolled showing an increase of 1.4 per cent.

Of these new comers, 2915 will be enrolled in the faculties of the Kabul University, 770 in the Polytechnic institute and 520 in the Nangarhar University.

In 1362 the number of the Public Libraries throughout the country will reach 46 showing an increase of 21.1 per cent.

#### Public Health Services:

For the expansion of the health services and their improvement it is planned to increase the number of

the beds to 4554 which shows an increase of 5.7 per cent. The number of the doctors added to the total is expected to be 152. Also, in the number of the intermediate medical personnel an increase of 4.9 per cent will be made.

#### Commerce sector:

Circulation of the retail sales of the state sector according to the 1362 plan will be amounted to 13.5 billion Afghanis showing 12.5 per cent increase compared to the year 1361.

The total amount of Foreign trade for 1362 is anticipated 1371.4 million dollars showing an increase of 2.8 per cent compared to the figure 1333.8 million dollars of the year 1361. This figure the total volume of exports will be 700 million dollars and that of import 671.4 million dollars showing an increase of 4.1 per cent and 1.6 per cent respectively.

Courtesy: Haqiqate Enqilabe Saur.

SPIRITUAL FIGURES SPEAK ON DRA-USSR TIES

Kabul NEW TIMES in English 31 May 83 p 1

[Text]

KABUL, May 31 (Bakhtar).— The clergy, spiritual leaders and the Emams of the main mosques of the provinces of the country who have now returned from a friendly visit to different parts of the Central Asian Republics of the USSR convened a gathering in the meeting hall of Humayoon Hotel.

At the outset of the meeting the Deputy Minister of the Ministry of Nationalities and Tribal Affairs talked with regard to the value of their visit and the brotherly and friendly relations existing between the Democratic Republic of Afghanistan and the USSR.

Afterwards the representatives of the Department of Islamic Affairs gave explanations concerning the value of such visits and the role and importance of traditional and historic friendship of the USSR with DRA.

CSO: 4600/718

EXHIBITION ON MUSLIM LIFE IN USSR

Kabul NEW TIMES in English 31 May 83 p 1

[Text]

LASHKARGAH, May 31 (Bakhtar).—The exhibition of tableaux, posters and photographs depicting the way of life of the Muslims in the Soviet Union was inaugurated yesterday afternoon during a ceremony in the Cultural Center of the Lashkargah city, capital of Helmand province, by Guldad, Vice-Chairman of the Council of Ministers.

At the inaugural ceremony of the exhibition which was organised by the Sov-

iet House of Science and Culture, the secretary of the party committee of Helmand and a member of the Soviet House of Science and Culture spoke about the importance of the exhibition for acquaintance of the two fraternal peoples.

The exhibition will remain open for the public for two days and some documentary films will be screened on the life of the Muslim people in the Soviet Union.

CSO: 4600/718



DEPARTMENT SET UP TO TRAIN TECHNICAL CADRES

Kabul NEW TIMES in English 2 Jun 83 p 4

[Text]

KABUL, June 2 (Bakhtar)— In order to train technical cadres, the first preparatory section of workers was set up within the framework of the Polytechnic Institute at a function yesterday.

After the head of the section talked about the aim and the method of convening the section, Sarwar Mangal, Minister of Higher and Vocational Education spoke on the need to establish the section under the present circumstances of the country and wished the participants every success.

A source of the institute has said that the aim of establishing the section which was convened

in accordance with the joint resolution of the PDPA CC Politburo and the Council of Ministers of the DRA, to train skillful technical personnel and to help those children who could not complete their secondary education due to various reasons.

The source added: 48 students are enrolled in the section and they are taught honourarily by the lecturers of the institute.

On the basis of the workers educational schedule of the DRA, the section will complete the 12th grade in two years and after that, the participants can follow the post graduate programme in the institute.

CSO: 4600/718

# PROGRESS OF LAND, WATER REFORMS DISCUSSED

Kabul NEW TIMES in English 2 Jun 83 p 3

[Text]

"As many as 297,680 families have received land title deeds from the beginning of the democratic land reforms program till now."

This was a figure given by an official of the land reforms department of the DRA in an interview with the reporter of the Kabul New Times.

He added: "In accordance with the joint resolution of the Political Bureau of the Central Committee of the People's Democratic Party of Afghanistan, and the Council of Ministers of the DRA dated Jauza 30, 1360 HS (June 20, 1981), and the resolutions dated Sunbula 14, 1360 HS (August 28, 81) and Dalw 4, 1360 HS (January 24, 1982) of the joint commission of the PDPA CC and the Council of Ministers, the implementation of the democratic and just land and water reforms, continue in four stages according to the adopted practical measures.

The first operational plan (the phase of evaluation of previous stage of land reforms): In this stage, ac-

cording to the plan, both in the capital and provinces and their districts and villages, issues concerning the previous stage of land reforms such as the land distributed, the grade of the land, land and water allocation, present conditions, ownership of land distribution, possession of land title deeds, the number of landowners having equal land as provided for in the law of land reforms, the quantity of abandoned land and land for distribution, have been assessed and evaluated. And, as a result of this, a valuable information has been collected. Similarly it should be said that in the course of this plan, peasants and landowners receive official land ownership documents, and disputes on land acreage will be settled down justly. And, the effective farming is also one of the aims of the plan.

Likewise, with the implementation of the third operational plan, material, technical and financial assistance will be rendered to the peasants and landowners, and endeavours will be made to mobilise the farm-

ers in the agricultural co-operatives in order to expand and increase their production output.

In this way, under the fourth operational plan construction and repair work of irrigation networks, roads, schools, hospitals and other public-welfare and infrastructural establishments in the rural areas of the country is carried out.

Further dwelling on the land reforms, the official stressed that: "With the implementation of the operational plans of the Democratic Land and Water Reforms, the deserving peasants who have not received land as yet, would receive land and water and official land ownership documents which are signed by Babrak Karmal, General Secretary of the Central Committee of the PDPA and the RC President. Similarly, the allocation of distributed land would be identified and the legislative disputes on land acreage would be justly assessed and material, technical and financial assistance would be rendered at the first step to those peasants who received land during the implementation of the land reforms.

Similarly, the surplus lands of the peasants will be studied carefully, and if the land of landowners does not exceed 10 jeribs of first degree, it is returned to them free of charge. If it

exceeds 10 jeribs, that is, from 10 to 30 jeribs, that would be sold to them at reasonable price on installment basis. Likewise, the construction and repair works of irrigation networks, roads, schools, hospitals and other public-welfare projects will be carried out for public welfare.

In short, we can say that with the implementation of the operational plans of the Democratic Land and Water Reforms Program, the land system and land management would be changed in the interests of the peasants. Peasants would be freed from the yoke of feudal relations, and land and water would belong to the peasants throughout the country, the old agricultural methods would be replaced by the modern ones.

Answering another question, the official said: "The first operational plan of the land reforms ended at the end of 1361 HS (beginning of 1983) in 27 provinces with practical achievements and presently, 28 operational groups are engaged in the provinces and De Sabz, Bagrami, Char Asiab and Mir Bacha Kot districts of Kabul province, the Mohmandara and Kuz Kunar and capital of the Nangarhar province, the Nahr Shahi district of Balkh province, Pulikhumri and Doshi districts of Baghlan province, Hazrat Imam district of Kunduz province, the Khost division and Gardiz city of Paktia province,

the Ishkashim and Khwahan districts of Badakhshan province, the Jabul Seraj and Bagrami districts of Parwan province, the Andkhoy district of Fariab province, the centre of Ghazni province, the Shindand district of Herat province, the centre of Laghman province, the centre of Jauzian province, the centre of Kunar, and the Niki Oala and the Khwaja Ghar districts of Takhar province.

The number of families which have received land since the beginning of the land reforms programme reaches 297,680. Every landless family deserves to receive five jeribs of first degree land or its equivalent from the state farming land or from the surplus land obtained of other landowners.

The official added: "Prior to their despatch, the members of the operational groups attend educational courses in the capital. They are taught decrees, laws and regulations, resolutions and directives and the methods of action in connection with the operational plans of the democratic land reforms department.

And, in order to further accelerate the process of implementation of the democratic land reforms, the land reforms department will despatch teams to provinces so that they would help implement the operational plans.

AGREEMENT ON SCIENCE, CULTURE WITH USSR

Kabul NEW TIMES in English 6 Jun 83 p 1

[Text]

KABUL, June 6 (Bakhtar).—An agreement was signed in Kabul yesterday between the Democratic Republic of Afghanistan and the USSR regarding the legal status of the House of Science and Culture of the Soviet Union in Kabul on the basis of the treaty of Friendship, Good Neighbourliness and Cooperation concluded between the two countries, dated Qaus 14th 1357 HS (1978), as well as on the basis of desire of both countries to further strengthen their friendship, and cultural relations

and cooperation.

The agreement was signed from the DRA's side by the president of the State Cultural Committee and from the Soviet's side by F.A. Tabeev, the Ambassador of the USSR in Kabul in the State Cultural Committee and the related documents were exchanged.

During the signing ceremony of the documents, present were also Em-tiaz Hassan, Vice President of the PSFO and some members of the organization and the embassy of the Soviet Union in Kabul.

CSO: 4600/718

# AGRICULTURISTS HELP WITH HARVESTING

Kabul NEW TIMES in English 6 Jun 83 p 4

[Text]

KABUL, June 6 (Bakhtar).— In order to practically take part in harvesting agricultural crops and contribute to the agricultural local organs, state farms of the mechanised stations, agricultural cooperatives and individual peasants, teams comprising employees of the central departments of the Agriculture and Land Reforms Ministry left for the provinces of the country recently.

A source of the ministry said that harvesting of wheat crops has been started in most of the provinces of the country and the Ministry of Agriculture and Land Reforms for implementing the resolutions of the PDPA CC Politburo and Council of Ministers of the DRA regarding the purchase of yields dated Jauza 4th of the current year has adopted specific measures.

The source added that the ministry has been charged to reap the crops of 20,008 hectares of land of the provinces by agricultural machinery possessed by the agricultural mechanised stations.

Presently 60 machineries have been readied for collecting the yields of the Kabul, Balkh, Jauzjan, Baghlan and Herat provinces and direction has been given to all agriculture directorates of mechanised stations and state farms to put all their agricultural machineries at the disposal of the state farms, agricultural cooperatives and individual peasants against a reasonable fee according to the resolution of the PDPA CC Politburo and the DRA Council of Ministers.

A source of the ministry said that the yields of 700 hectares of land in the Jauzjan Province have been collected during six days and order has been given for collection of over 6,000 hectares of land to the mechanised station of the provinces.

Similarly, from among the 2,200 hectares of land the yields of over 300 hectares have been collected during the four past days. The yields of the state farms are satisfactory, the source added.

EXTENSIVE GAS, PETROLEUM PROSPECTING UNDER WAY

Kabul NEW TIMES in English 7 Jun 83 p 3

[Text] The eleventh plenum of the Central Committee of the People's Democratic Party of Afghanistan among other measures to strengthen the economic basis of the country, advocates renovation, completion and expansion of the industries and suggested for a basic progress in this section in the years 1362-63.

Extensive explorational plans for the north gas and petroleum resources are underway. The activities of north petroleum and gas exploration department established in 1334 (1955) under the name of "Petroleum exploration department" were confined to the Sari-Pul area of the Jauzjan province. Explorational works of the area continued irregularly till 1337. At this time a contract was concluded between the Soviet Union and Afghanistan concerning technical, economic assistance and geological studies of the gas and petroleum explorations. The work is being carried out with the joint efforts and cooperation of the Soviet and Afghan technicians and experts.

Explorational areas were determined and studied in accordance to their respective history and importance. The studies include northern, northeastern, western, northeastern and southern parts of the country.

The studies resulted mainly in discovery of six petroleum mines and six gas mines. Petroleum extraction and utilisation has not been achieved yet.

Acceleration of the utilisation process and establishment of a refinery for petroleum is under study. Utilisation of the gas mines has been started since 1346 (1967).

Under the production plan the Gogerdak and Jarqduq mines 2700 million cubic metres of gas are annually extracted, out of which 2400 million cubic metres is exported. Annual revenue from the export of gas is amounted to 300 million dollars. Out of the annual extracted gas, 300 million cubic metres are used locally in the power and fertiliser plants, textiles and other projects.

Other 2913 personnel are busy working in the north petroleum and gas explorational department, 2170 of whom are workers.



The explorational drilling planning for the current year will exceed 27000 metres.

Out of the planned drillings 2000 metres will be carried out for explorational purposes and the rest (7000) for extractional purposes.

It should be equally cited that from the beginning of the gas utilisation in 1346, till the year 1358, more than two billion cubic metres gas has annually been extracted from the Khwaja Gogerdak gas mine.

The constructional work of the Jarqduq gas reservoir started in 1355 and after three years completed with the all sided cooperation and assistance of the Soviet Union. The construction of the gas reservoir provided the possibility to export more than 2.7 billion cubic metres of gas. With the completion of the project alone in 1361 more than 1.5 million cubic metres gas was exported.

In order to export the natural gas to the Soviet Union, a pipeline has been constructed with the cooperation of the USSR. The project which is financed equally by both sides was completed in 1358 and started functioning in the same year.

Due to the decrease in the pressure of the gas reserves, a project for compression of the pressure was also built with the co-operation of the Soviet experts and started operation in 1360.

In addition, recently some contracts regarding project-making and probational utilisation of the petroleum reserves of Angut, Aqdarya, and Qashqari in Saripul of the Jauzjan province, were concluded with the Soviet Union. After probationary utilisation of the petroleum reserves, measures will be taken for establishment of a petroleum refinery with the annual capacity of 500,000 tons of petrol in the future.

CSO: 4600/718



# FUNDS ALLOCATED FOR MINING

Kabul NEW TIMES in English 7 Jun 83 p 3

[Text]

Extraction of mines constitutes the main task of the government in the industrial sector.

In the investment plan of the year 1362, for the extraction of the mines a sum of 427,800,000 Afghanis from the domestic sources and 25,130,000 dollars from the foreign sources have been allocated in accordance with the eleventh plenum resolutions of the Central Committee of the People's Democratic Party of Afghanistan and possibilities at hand. Rational utilisation of the natural resources of the country is the only solution to the long persistent economic backwardness and for expansion of the foreign trade.

One of the such gigantic projects is the project of Ainak Copper Mine which is already being under way.

Copper is a precious metal and has a high economic value. The metal and its compounds are used extensively in various fields like heavy industrial installation machinery, electronics and printing. Considering its value the party and gov-

ernment attache great importance to extraction of copper in the country.

Fortunately our country is the land of vast natural resources and is rich enough to raise our economic level. Ainak copper mine is one of such rich mines which is prospected, surveyed and its utilisation project is under way by the technical and economic assistance and joint cooperation of the Afghan-Soviet geologists.

With the completion of the Ainak copper project in addition to creation of work opportunity for a large number of the compatriots large sums of money will be earned as a result of exporting copper and its local consumption. The project will subsequently strengthen the economic basis in the country.

Establishment of the extractational project and enrichment of the copper has been started in 1356 (1977) and their final works will be over in 1370 (1991). The total investment so far ma-

de in the project reaches Afs 91,481,666,600 of which 1,808,800 dollars come from the Soviet Union's assistance and the rest was financed from the state developmental budget.

The preliminary work and construction of some wards are near completion and protocol is signed for building two bridges and a 12-kms road to connect the mine with the Kabul-Gardiz highway. Completion of annexations, store houses and residential quarters is expected this year as part of the general work plan.

The annual utilisation capacity of the project after enrichment will be 114000 tons concentrate (by-product after enrichment).

By the completion of the Ainak copper project employment opportunity will be provided for 28,000 of our countrymen.

The financial plan of the project in 1362 will amount to Afs 200 million financed from the state development budget and 1,740,000 dollars from the Soviet credit.

The total reserves of copper is expected to be 363.9 million tons of the ore or 6.05 million tons of pure copper. Therefore, the mine is considered one of the largest copper mines in the world.

It should also be mentioned that the prospecting work is not over. Therefore greater amount of copper can be expected.

(Courtesy: Haqiqate Enqilabe Saur).

# CULTURAL REVIVAL ACTIVITIES REPORTED

Kabul NEW TIMES in English 7 Jun 83 p 3

[Text] "Towards the revival of the language and literature of the brother nationalities" is the title of a report that was published in the issue of June 5th of the daily "Haqiqate-e-Enqelabi Sar" the publication organ of PDPA CC.

Quoting that daily the PIA reports that the Academy of Sciences of DRA in accordance with the cultural policy of our party and revolutionary state was founded after the victory of the national and democratic revolution as the greatest focus of science and research.

In addition to various research departments in the fields of natural sciences, history, language and literature of Pashto and Dari other departments have also begun with active performances for the revival of languages and culture of such national units of the country that were previously denied their right to research and publications.

The report adds that thus far the departments of Dari language, and literature of

Uzbeks, Turkmen, Baluchis, and Pashayee section have begun with their works and have performed some effective research in history, culture and literature.

For example the section of Uzbek in the Academy of Sciences of Afghanistan has thus far been able to prepare for publishing the works on the trial of Alfoteen Nawayee, the collection of Uzbek poems of Zahir-uddin-Mohammad Babur, and the pamphlet and problem of Nawayee. Works are going on in connection to the preparation of Uzbek vocabulary to Dari, grammar of Dari language, the Majol Us-Nafayess and Mir Ali Sheer Nawayee.

The Turkoman department of this academy has also thus far published a collection of poems of Daulat Mohammad Fedayee and the collection of poems of Zallele the wellknown poet of Turkoman is ready for print. Similarly work is going on the anthology of poems of Makhtoon Duli the Turkoman poet and it will be prepared for print in the

near future."

In the section of Baluchi language the alphabet book, the poems of the wellknown poet of Baluch, that of Mirgul Khan, Nascer and Haneshee Mureed, and anecdote has been published. Also in the various issues of the year 1361 of the Zerai periodical articles and writings in Baluchi were published continually. A series of anecdotes in verse in Baluchi language has been compiled a brief history of Baluchis has been translated from the original text by a USSR scholar, the vocabulary of Baluchi to Pashto and the language and grammar of Baluchi shall be all ready for publishing in the near future.

In the same manner the Pashayee section that has begun functioning recently has thus far compiled a pamphlet in Pashayee language and work concerning the research of oral literature of Pashayee is continuing on. It is in view that the Department of Language and Literature of Nuristani will begun to function soon.

NEPAL, BHUTAN ESTABLISH DIPLOMATIC RELATIONS

Kathmandu THE MOTHERLAND in English 4 Jun 83 p 1

[Text] Nepal and Bhutan have established diplomatic relations at ambassador's level.

A press release issued yesterday by the Ministry of Foreign Affairs says His Majesty's Government of Nepal and the Royal Government of Bhutan have decided to establish diplomatic relations between the two Kingdoms at ambassador's level.

The release further says that they have agreed that their ambassadors resident in India would be concurrently accredited to each other's capital.

Bhutan is the 85th country to set up diplomatic relations with the Kingdom of Nepal. Nepal now has diplomatic relations with all countries of Asia except Northern Yemen and Southern Yemen.

Although diplomatic relations were established only today, there had been contacts and exchanges of visits at high levels between the two countries.

During the March non aligned summit in New Delhi, Their Majesties the King and Queen received in audience His Majesty Jigme Singhye Wangchuk.

CSO: 4600/721

OFFICIAL INTERVENTION IN PRESS AFFAIRS DECRIED

Kathmandu THE MOTHERLAND in English 8 Jun 83 p 3

[Editorial]

[Text] It must be admitted that Prime Minister Thapa is one of the persons who is least perturbed by criticism whether it be constructive or destructive. His statement in the inaugural speech of the 12th conference of Nepal Journalists' Association in Kathmandu on Monday that the freedom of press in Nepal is in no way less than in any other country is largely true. But he should at the same time admit that the government in the past and the Ministry now headed by him have been responsible for the stunted growth of Nepali press and the thriving of yellow journalism against which he has warned. The mushroom growth of the newspapers has become a problem and many of these newspapers it is alleged are patronised by Prime Minister Thapa and his men. This has worsened the situation to such an extent that journalistic ethics and professionalism have become the casualties almost in an irrevocable manner. In the circumstances it is ridiculous to talk of institutionalised development of the press. We are not against government's patronisation of newspapers but not in the sinister way it is done here. The government should first stop the practice if it really means institutionalised growth of the press which can understand it right to criticise and oppose in a responsible manner. In the present context it is the only way to help develop a healthy press in the country. If not, the government will get lost in the labyrinth it has created and the developing of journalism in this country will be a lost cause. And in the name of developing press the government will be producing too many blackmailers.

CSO: 4600/721

# LICENSES FOR COMMERCIAL IMPORTS TEMPORARILY SUSPENDED

Kathmandu THE RISING NEPAL in English 10 Jun 83 p 1

[Text] His Majesty's Government has "temporarily suspended" the issue of import licences to private importers for commercial purposes.

This is because "commercial imports" in current year has already crossed the level of past years, the Acting Director General of the Commerce Department, Mr Ram Bahadur K.C. said.

The issuing of new import licences will be kept in abeyance for the current fiscal year.

"We will start giving the licences from the next year," he said.

But, Mr. K.C. thought that the Government would announce a new policy to regulate imports and promote the country's export.

Talking to this reporter, the Director General said

that the licences were issued in an "unlimited way" and the step was necessary to bring it more within control.

He said if the same process continued this could even jeopardise the national foreign currency reserve.

Nevertheless, Mr. K. C. stated that the government was issuing licences to the hotel, tourism and travel industries.

Government agencies and industrial enterprises are also being issued licences according to their requirements, he said.

Permission is also being given to individuals who want to import certain luxurious goods. This is however, only after taking into consideration the individual's foreign exchange earnings, he said

Meanwhile, the Rastra Bank Governor, Mr. Kalyan Bikram Adhikary, has said that if the Government continues issuing import licences to importers the burden of paying foreign currency for imports on the Bank will become heavier.

However, Mr. Adhikary said that the country's foreign currency reserve was "not alarming" but things should be taken care of before the situation goes out of hand.

He also said that Nepal Rastra Bank had issued new directives to commercial banks on the opening of letters of credit by importers.

They have been "tightened" so that businessmen do not take any undue advantage.

## NEPAL

### CHARTERED FLIGHTS TO BE ALLOWED INTO NEPAL

Kathmandu THE MOTHERLAND in English 9 Jun 83 pp 1, 4

[Text] His Majesty's Government today conceded to increasing pressure to allow charter flights aimed at making Nepal a prime tourist destination in the world map.

The decision came four years after the Hotel Association of Nepal the Trekking agents Association of Nepal and the Travel Agents Association of Nepal launched a crusade for charter flights in 1978.

The government then preferred to protect the Royal Nepal Airlines from competition from the chartered flights

In 1978, the occupancy rate of hotels had gone down to less than 35 percent and many hotels felt threatened by the low occupancy.

The occupancy rate today has declined further. Western tourists occupy less than 10 per cent of the total hotel beds in Kathmandu hotels.

In some of Kathmandu's five star hotels, tourists are paying as low as 10 U.S. dollars per night. "It is the Indian tourists these days that keep us in business," said a hotel owner who preferred to be unidentified.

The national flag carrier has been lobbying against the operation of the charter flights stubbornly refusing the allegation that it has been one of the most ill-managed corporations

"This is a sort of compromise between the demands of Kathmandu's influential hotel owners and the equally powerful vested interests that run the RNAC," said an employee of a reputed Kathmandu travel agency

But his colleagues were less pessimistic. "RNAC should now read what is written in the walls," he commented.

CSO: 4600/721



IDA CREDIT FOR NEPAL APPROVED

Kathmandu THE RISING NEPAL in English 7 Jun 83 p 1

[Text]

Nepal is to receive a credit of SDP (special drawing right) of 5.6 million (six million dollars) from the International Development Association (IDA), according to an IDA press release received here Monday.

The credit support is expected to help improve Nepal's capacity to prepare and implement development projects.

The credit from the World Bank's affiliate for concessionary lending is aimed at assisting Nepal in project identification, preparation and implementation. This, according to the press release, would enable the country to make more effective use of domestic and external resources for the development of its economy.

It is also expected that the credit would finance subprojects which would include preparation of investment projects suitable for external financing; technical assistance for implementation of investment projects; sectoral studies; and strengthening of institutions.

While emphasis would be on agriculture, the IDA credit would be flexible enough to accommodate the technical assistance needs in other sectors.

The IDA credit is for fifty years, including ten years of grace. It carries no interest but has a small annual service charge of 0.5 percent on the undisbursed balances of the credit and 0.75 percent on the disbursed balances.

CSO: 4600/720

NEW EXCHANGE SYSTEM SUPPORTED

Kathmandu THE RISING NEPAL in English 4 Jun 83 p 2

[Editorial]

[Text]

The introduction by His Majesty's Government of a new system to determine the foreign exchange rates of various currencies is meant, according to the Finance Minister, Dr. Yadav Prasad Pant, to bring about a favourable impact on the country's economy and on the export and import sectors. The Nepalese rupees had previously been pegged to the US dollar and the Indian rupees resulting in unfavourable variations in the cross rate among the three currencies from time to time. This had led in the past to the devaluation of the Nepalese rupee vis-a-vis the American dollar but as the US dollar continues to surge ahead in international money markets, the cross rate between the Nepalese rupees, the American dollar and the Indian rupee had once more surfaced. What had happened in the past was that the rates of exchange of the Nepalese rupee with the US dollar and the Indian rupee were fixed permanently and the rates of other currencies fixed each day on the basis of their rates with the US dollar. However, the difficulty arises as the Indian rupee too varies its exchange rate with the US dollar on a day to day basis resulting in the Nepalese rupee being over-valued in terms of the US dollar and undervalued in terms of the Indian rupee. Obviously, having a currency pegged to two different currencies— one rather strong and the other rather weak—is not totally workable when the international exchange rates fluctuate so often and to such a extent as has

been the case in the last few years.

His Majesty's Government has, therefore, taken the Nepalese rupee off the US dollar and the Indian rupee pegs and has decided that the exchange rates would be fixed through a basket of currencies system. Under the system, the rate of exchange will be determined on the basis of the exchange rates of different currencies in the basket with the American dollar as the currency of intervention.

This kind of an arrangement if left as it is will have an adverse impact on trade. Indeed, it is for this reason that His Majesty's Government in announcing the new system has also stated that the Nepal Rastra Bank, besides fixing the exchange rates, will also make the necessary arrangements for forward exchange market which should ensure that imports and exports fetch for the trader pre-determined amounts despite the fluctuations in the spot rates of different currencies. To that extent traders will stand to gain from the new system unlike in the past when traders had to buy or sell all foreign currencies, except the US dollar and the Indian rupee, at the prevailing rate of exchange. Yet a note of caution must also be added, specially in the case of imports of essential commodities from India, the country's major trading partner. The creation of a new exchange system under a basket of currencies should also ensure that consumers are protected at all times. For instance, if the bank were to quote the six months forward rate of Indian currency at 1.46 and a trader to import goods under this rate but finds that when his ordered goods are ready for sale, the spot exchange rate has risen to 1.5, what is the mechanism to ensure that the trader does not charge the spot rate from consumers? Consumers of essential goods therefore must at all times be protected. For this the Finance Ministry might consider some measures, including market vigilance teams. This is necessary as far as essential commodities are concerned. For the rest, the success of the new system will depend on how much the country, as a whole, can benefit from it.

## JUTE INDUSTRY'S PROBLEMS DISCUSSED

Kathmandu THE RISING NEPAL in English 2 Jun 83 p 2

[Article by Madhav Kumar Shrestha]

[Text]

The jute industry is the largest organized industry in the corporate sector in Nepal. Now, the industry is caught in the vicious circle of high costs and low demand leading to its sickness. This illustrates how uncoordinated policies both at the micro and macro level can mar the prospects of a thriving old industry.

### Problems

The domestic jute economy of Nepal is, at present, in a very precarious condition with neither the jute industry, nor the exporters of jute manufactures, nor the jute growers, nor the Jute Development Corporation being well placed. There has been a steady decline in the export of jute and jute goods (i.e. nearly Rs. 19 crore in 1980/81 as against Rs. 35 crore 65.25 lakh in 1977/78). Consequently, jute goods and fibre inventories have been heavily piling up. Production of jute goods has not gone up. The switch-over from jute cultivation to

other food crops is also gaining ground in the eastern Terai. With decreased demand for jute, the cultivation-hectare trend has also declined from 56714 hectares in 1979/80 to 35320 hectares in 1981/82. As a result, jute cultivation is suffering from a downward trend (i.e. from 67514 m. tons in 1979/80 to 42663 m. tons in 1981/82). Moreover, the productivity and efficiency of the jute industry has remained at a low ebb with its decreased production from 16593 m. tons in 1978/79 to 15602 m. tons in 1981/82.

As the export performance has not been satisfactory, now the burden of interest payments is quite high for the jute industry. The industry has to take recourse to heavy borrowing for meeting current expenditure. Thus, the industry is acutely suffering from financial crisis.

Another major problem facing the industry is the competition from synthetics and other substitutes. The vital threat to jute goods as a packaging

material from such substitutes has become serious because of their competition with jute goods in price, quality and other terms. They are likely to displace hessian and sacking in many market areas. Synthetic goods mainly based on polypropylene have already emerged as strong competitors of jute goods in the industrialised countries. These countries are trying to reduce their dependence on external sources mainly because of the destabilization of jute supply and price.

### **Causes & challenges**

A major reason for the set-back to the export of jute goods from Nepal in recent years is the stiff competition from foreign countries. The availability of quality jute, realistic pricing, modern machinery, better marketing, better sales promotion, prompt settlement of claims, and effective incentives such as the bonus voucher scheme have enabled other countries to offer tough competition to Nepalese jute and jute goods.

Other factors responsible for the steep decline in Nepalese jute exports are to a large extent due to recession in industrialized countries importing Nepalese jute and jute goods, technological displacement of jute by synthetics and bulk handling techniques. Furthermore, the lack of price stability, fluctuation, in the availability of quality goods and the cost escalation due to increase of jute price coupled with higher wages, increased

prices of other materials and poor labour productivity have also caused shrinkage in the export of jute goods.

The jute industry in Nepal is having to face a new challenge in terms of marketing quality jute goods in world market at profitable prices. This price factor has posed a serious threat to the industry. The problem has become more acute: world-wide consumption pattern is rapidly changing; competition from synthetics and other substitute which become cheaper with increased production is growing intensely; and the global economic recession which affected partly the jute economy of Nepal has not as yet completely ended. Indeed, jute experts apprehend that in the long run the jute industry would be partly or completely ousted from the packaging and other spheres if the production costs are not reduced in order to make them competitive with other substitutes and synthetics.

It is high time to revitalise the jute industry in Nepal and to render all possible help in order to provide immediate and long term relief. For balancing jute economy in the country there is urgent need of revitalising export of jute and jute products through evolving and implementing proper planning, appropriate marketing strategy, market service, price stabilization, customer-oriented tour and integrated long term action programme.

### **Revitalisation**

The fortune of jute growers generally remains linked with the sound health of the jute industry. Thus, necessary steps should be taken to revitalise sick jute mills, expedite the expansion and open new ones by creating appropriate conditions for restoration of better performance and sustained growth of the jute economy.

Then only jute production target of 85,000 tons in 1984/85 - the final year of the 6th five year plan, as against 68,000 tons of jute production in 1978/79 would be achieved.

To meet successfully the challenge from synthetics and other substitutes and to secure export market at profitable price, it is necessary that the jute industry should undertake research and development such as jute product development, new end-uses, well coordinated modernization and installation of machinery, technical service, and better quality control. Moreover, if it has to survive against the growing competition from synthetics, it should also give more attention to diversification strategy and adopt improved methods of production as better schemes for the rejuvenation of the jute industry in order to bring price stabilization of its products.

However, the very survival of the jute industry in export market depends upon its ability and will to

control the rise in cost. It is, therefore, essential that a cost reduction programme must be vigorously executed. It is a management responsibility to make an enactment of the suitable cost reduction and cost efficiency programme.

The jute cess system should be improved as an effective instrument for balancing demand for and supply of jute and jute goods. Integrated and new jute marketing concept should be developed. If such an effort is not feasible, Nepal has to develop a jute or jute textile production system with more emphasis on the domestic market front.

Furthermore, the current jute price, and export incentive schemes should be reviewed. If the present situation is allowed to continue, even the new jute project would become economically unviable. In the present context, if the internal cost of jute production is higher than the prevailing world price, it is necessary to analyse the cost effectiveness of various policies to subsidise jute export by taking into consideration the interests of jute farmers, jute exporters, jute development corporation, jute industry and consumers in order to strike a proper balance among them. ■

Mr Shrestha is a senior officer at Lumbini Sugar Mills Ltd.



## POPULATION CONTROL MEASURES DISCUSSED

Kathmandu THE RISING NEPAL in English 1 Jun 83 p 1

[Text] **The Minister of State for Health, Mr. Arjan Narasingh K. C., has described the task of controlling the existing rate of population growth as a major challenge confronting the nation today.**

State Minister K. C., who inaugurated the fifth anniversary ceremony of Nepal Contraceptive Retail Sales (CRS) Project Tuesday, stressed the need for efforts aimed at bringing about attitudinal change among the vast majority of the people to ensure a positive attitude towards the use of contraceptives.

He also noted the "commendable" job done by the CRS Project in marketing successfully its products despite the competition posed by free distribution of contraceptives.

Mr. K. C. also disclosed that His Majesty's Government was initiating measures to turn the CRS Project into a private company and thus make it a permanent institution.

Also speaking on the occasion, the Assistant Health Minister, Mr. Keshav Bahadur Shah, noted that though five years were not a very long period, the CRS Project had been

quite effective in its sales distribution campaign.

The service, he said, had contributed to the national population programme.

Speaking from chair, Rastriya Panchayat member Mrs. Kamal Shah touched upon the role of contraceptive distribution, especially in the context of an increasing growth rate.

The Acting Health Secretary, Mrs. Chandra Kala Kiran, pointed out that the CRS Project constituted an important institution in the efforts to the commercial distribution of contraceptives.

Dr. Badri Raj Pande, chief of Nepal Family Planning/Maternal Child Health Project, stated that the CRS Project was gradually making its presence felt.

The General Manager of Nepal CRS Project, Mr. Hem Hamal, presenting the progress report, stated that the Project had currently distribution outlets through

some eight thousand shops spread over sixty-six of the country's seventy-five districts.

The U.S. Charge d'Affaires, Mr. James R. Cheek, said that the progress made by the Project in the last five years was "remarkable" in that it distributed two million condoms last year as against only three hundred thousand in 1978.

The advisor to the CRS Project, Mr. James R. Messick of Westinghouse Healths of the U.S., said that despite the Project's achievements, its coverage still extended mostly to a radius of ten miles from urban centres, and stressed the need for reaching the rural areas as well.

Also speaking on the occasion, the Director of USAID Mission, Mr. Dennis J. Brennan, emphasised the importance of acquiring self-sufficiency by an institution like the CRS Project which was aiming towards this very objective.



# MORE LOAN FACILITIES PLANNED FOR FARMERS

Kathmandu THE RISING NEPAL in English 31 May 83 p 1

[Text]

The Agriculture Development Bank is to take various measures for effective implementation of agricultural loans programme to the benefit of small farmers in the coming fiscal years.

Chairman of the board of directors of the Bank Nava Raj Chalise stated this while presenting a report at the 15th general meeting of the board here Sunday.

He said the Bank's activities would be made more effective particularly in investment and recovery of loans.

The Bank, he said, will extend small farmer development programme as well as increase its direct loan investment in the programme to provide more loan facilities to small farmers.

Production loan programme will also be extended to enable more and more farmers to benefit from it, he informed and added that irrigation programme will be made more effective and extensive by linking it

with agricultural loan programme.

Programmes relating to livestock farming, fishery, horticulture and gobar gas plant will be given an integrated approach to increase the farmers' income, he said and continued that investment in agricultural industry will also be made extensive to promote agricultural marketing and processing of agricultural products.

The Bank's income and expenditure in the fiscal year 1980-81 stood at Rs. 51,682,000/- and Rs. 54,177,000/- respectively but incurred a loss of Rs. 2,49,5000/-.

Last fiscal year its income and expenditure stood at Rs. 62,377,000/-, and Rs. 62,838,000/- suffering a loss of Rs. 561,000/- only.

It is hoped that the Bank will run at a profit in the years ahead.

Meanwhile, it is already presumed in unofficial circles that the Bank made a profit of Rs. 2,534,330/- in the first half of the current fiscal year. (RSS).

## PROGRESS OF DEVIGHAT POWER PROJECT DESCRIBED

Kathmandu THE RISING NEPAL in English 7 Jun 83 pp 1, 6

[Text]

Trishuli, (Nuwakot);

The power situation of the Central Region in general and of the capital in particular is expected to improve substantially with the commissioning of the first unit of the 14.1 megawatt Devighat Hydroelectric project later this month or early next month, 18 months ahead of schedule.

The Devighat project is to be completed in three different phases of 4.7 megawatts each.

The second unit is expected to go into production in September-October.

Power generation from the third unit is to begin from December.

Construction of the Devighat project was undertaken by the Government of India under its technical and economic cooperation programme in the year 1980. Originally the project was scheduled to be completed in December next year.

"But the active and sincere cooperation from His Majesty's Government enabled us to make rapid progress on the work and hence hopes for early finishing the work"

the Chief Project Manager of Devighat Hydroelectric Project, Mr. H.C. Bharadwaj, told a group of visiting journalists from the capital here.

He said the close monitoring of the project work system and modern equipment and techniques applied in the project were also responsible.

Fifteen earth movers among others, were brought from other projects in India to expedite the work.

About 200 engineers, supervisors and highly skilled technicians, including Nepalese engineers, are working day in and day out to complete the project ahead of schedule, said one engineer working at the project site.

The Devighat project is estimated to cost about 720 million rupees. Agreement for the project was signed between the two countries in 1978.

National Hydroelectric Power Corporation of India is executing the project work on behalf of the Government of India.

His Majesty's Govern-

ment provided necessary land for the project. The Devighat project envisages the utilisation of the tail race waters of the Trishuli Hydroelectric Project.

The tail race waters of the Trishuli power house are carried through a cut and cover section, open channel and tunnel to a forebay before finishing the the turbines of the Devighat power house.

The forebay will also help check fluctuation in the flow of waters.

From the forebay the water will be flushed through steel penstocks to the turbines from a height of 40 metres.

The electricity generated from the Devighat power house will be evacuated to the central power system through a double circuit 66 kv transmission line.

This will be received at the 66/11 kv sub-station at Chabahil in Kathmandu before it is fed to the central system.

Once electricity generation from Devighat begins, it will substantially improve the electricity situation in Kathmandu in particular, Mr Shyam Bahadur Shrestha, an engineer associated with the project work here said.

After the project is handed over to Nepal,

maintenance will be done by local engineers and technicians.

For this a number of engineers and technicians are being associated with the project from the very beginning.

However, the posting of local engineers at the project is learnt to have posed some difficulty since very few engineers are reportedly ready to be posted here "in absence of adequate incentives".

Apart from engineers, overseers, supervisors and technicians, the project has provided job opportunities to over 1000 labourers. Forty to fifty percent of these labourers are skilled or semiskilled.

Once the project is completed and handed over to Nepal, most of them will to lose their jobs, it is feared.

Maintenance and other work might employ only 100 or so it is estimated.

Meanwhile, with the onset of the monsoon, labourers are gradually going back to their farms. Nevertheless, the project work continues with alternative adjustments, Mr Bharadwaj said.

He also said that the theft of nuts, bolts and conductors constituted yet another problem with the project.

TOURISM DOLLAR SAID TO YIELD ONLY 20 CENTS

Kathmandu THE RISING NEPAL in English 10 Jun 83 p 1

[Text]

Nepal spends as much as 80 cents out of each dollar it earns from tourism.

According to Nepal Rastri Bank Governor, Mr. Kalyan Bikram Adhikary, Nepal's income from each dollar tourists spend here is only 20 cents.

The rest is spent on imports of goods and services required for them.

This is why Nepal's ear-

ning from tourism is falling despite the fact that the total number of tourists visiting Nepal is increasing, he said.

Mr. Adhikary said that the earning from tourism was not satisfactory.

Other sources of Nepal's foreign exchange revenue are foreign aid disbursement and remittances.

CSO: 4600/720

CEMENT PLANT AGREEMENT WELCOMED

Kathmandu THE RISING NEPAL in English 10 Jun 83 p 2

[Editorial]

[Text]

It is a matter of considerable satisfaction that the recent talks held in Kathmandu between officials of His Majesty's Government and the Government of India on the proposed cement factory at Udayapur concluded successfully. The factory which will be Nepal's third and the biggest will have a production capacity of 1200 tonnes a day and an annual output of 400 thousand tonnes. According to reports, work on the joint venture is to commence in 1985 and will cost over 1537 million rupees at 1982 prices. The plant is expected to go on steam in early 1990s and there is a possibility to double the capacity of the Udayapur factory with the addition of some more equipment and expansion of some facilities. Be that as it may, the agreement to proceed with the Udayapur plant could not have come at a more appropriate time. For one thing the demand for cement has recorded an annual rise of 10 percent and is expected to reach well over 900 thousand tonnes by the mid-nineties. For another, Nepal has only one cement plant at present located at Chovar with an annual output of 45 thousand tonnes. Plans have have, however, been made to increase its capacity to 112 thousand tonnes. Moreover, a new cement plant is to be established in Hetauda which will be capable of producing 260 thousand tonnes. Yet the combined capacities of both these plants will not be able to meet the ever increasing demand for cement and the

country will have to continue to depend on imports. At a time when every effort has to be made to cut down imports to save foreign exchange, the decision of Nepal and India to set up the Udayapur Cement Factory should therefore go a long way in meeting the country's requirements for this commodity.

The proposed cement plant will utilise limestone and clay from nearby Sindali and Beltar. The plant will be undertaken as a joint venture by the two governments as decided by the Nepalese and Indian delegations. India has furthermore agreed to finance, as a part of infrastructural development and to facilitate the movement of materials for the project, the construction of a road from Jainagar in India to Golebazar on the Mahendra Highway in Nepal. Therefore, once the Udayapur Cement Plant goes into production, the gap between the domestic supply and demand for cement should be narrowed down substantially. This apart, this cement factory undertaking is another instance of the cooperative relations subsisting between Nepal and India and a good example of South-South cooperation.

CSO: 4600/720



BANKING STATISTICS PROVIDED

Kathmandu THE RISING NEPAL in English 10 Jun 83 p 10

[Text]

There is one bank branch in Nepal for every 48 thousand people on average at present.

Of the two commercial banks in the country, Nepal Bank Limited has 168 branches while Rashtriya Banijya Bank serves people through its 313 branch-offices.

Nepal's current Sixth Plan seeks to provide one bank branch for every 30 thousand people by the year 1985.

A bank official expressed the hope that the current

rate of growth of commercial banks in the country is sufficient enough to hit the plan's target in two years.

Banking experts in the country have stressed the need to develop and expand banking activities in a planned and systematic manner.

Nepal Rashtra Bank is also effortful in getting the savings scattered throughout the nook and corner collected through bank offices and have them mobilised for the overall development of the country.

CSO: 4600/720

## INCREASE IN MOUNTAINEERING ROYALTY SUPPORTED

Kathmandu THE MOTHERLAND in English 2 Jun 83 p 3

[Editorial]

Text] The Ministry of Tourism, it appears, is thinking on the right line as far as the question of increasing the royalty on Mt. Sagarmatha, the highest peak in the world, is concerned. The report however indicates that the Ministry is not yet sure about at which level the decision should be taken. But if it is convinced that high mountains of the country have become the cheapest paradise for mountaineers all over the world at the ecological cost of the country and that we have been still charging the royalty fixed rather haphazardly in 1950s, there should be no problem to take the decision at the appropriate level. Hesitation on such question is not at all desirable. The facilities which the mountaineers deserve should be given but at the same time we should also get what we deserve.

Sagarmatha is obviously one of the most crowded and challenging peaks in the world and royalty of 30 thousand rupees per expedition which spends millions is far from being prohibitive and discouraging. We should not also forget the fact that in return of 30 thousand rupees, we get the entire Sagarmatha region polluted. The vast number of tin cans which every expedition leaves behind get rusted in course of time polluting the rivers flowing from the Himalayas. This is no ordinary problem and calls for strict enforcement of regulation so that we may not have the mountains of garbage for the paltry sum of money. Part of the responsibility should no doubt be taken by the government for clearing the garbage and this again calls for raising the royalty on every mountain which mountaineers care to scale. As such, there should be no delay or hesitation to take the decision.

CSO: 4600/721

NEPAL

REGIONAL MOUNTAIN DEVELOPMENT CENTER TO START IN DECEMBER

Kathmandu THE MOTHERLAND in English 4 Jun 83 pp 1, 4

[Text] Regional Centre for Integrated Mountain Development in the Southern Asian mountain systems is to be inaugurated here in December.

About that time a symposium to be attended by national and international ecologist and scientists will also be organised according to Nepal Man and Biosphere (MAB) Committee.

It may be recalled that the Kathmandu regional meeting (26 Sept.-2 Oct. 1975) had recommended the establishment of a regional institute for integrated mountain development.

UNESCO feasibility mission (11-13 October, 1976) strongly recommended a regional centre for integrated mountain development to be established in Kathmandu area with possible financial donors within the UN system and among bilateral cooperation programmes as well as foundations for establishing and operating the centre.

CSO: 4600/721

# MINISTER SAYS LOCAL ELECTIONS NOT TO BE DELAYED

Karachi DAWN in English 25 Jun 83 p 14

[Text]

MULTAN, June 24: Federal Minister for Local Bodies and Rural Development Syed Fakhr Imam has said that necessary arrangements were afoot by all provincial governments to hold local bodies elections in their respective provinces.

Talking to newsmen at airport on his arrival here on Friday, he said that local bodies elections in all provinces in the country will definitely be held this year and the question of prolonging or delaying the programme of these elections does not arise at all.

When his attention was drawn towards a news item that local bodies election will be held in Punjab prior to the month of Moharram this year the Minister did not confirm it and said that the actual dates or time in connection with holding of these elections could be announced by the provincial governments themselves according to situation and conditions of their areas.

Replying to a question if the disqualified councillors or members be eligible to take part in coming local bodies elections, he said that those who would be found fit according to rules and regulations and also as right persons in a scrutiny, would be eligible.

Replying to another question Syed Fakhr Imam said that the local bodies election this year

would be held on purely non-party basis and those having no affiliation with any political party will be eligible to participate in these elections. He said that people affiliated with political parties from within and coming forward to take part in elections in any other shape or disguise will have to produce authentic documentary proof including the affidavit to clear their position as non-party men

He said that more additional seats for female councillors will be created at local councils level in the country. He said that at least two seats for female councillors will be created in each local council. In this connection, he added that the commission has already made recommendations.

Regarding allocation of funds for rural development programme in country during next five year plan he said that a sum of Rs 20,000 millions has been earmarked. He added that for the first time such allocation has been earmarked in the five year plan period.

He said that the government has given special facility to the private sector to import industrial machinery upto Rs 30 million without obtaining any permission in advance from the government. He added that the facility has been given to set up additional industry in rural areas in the country.

## MZARI SAYS PARTIES NOT TO TAKE PART IN ELECTIONS UNDER PRESENT GOVERNMENT

Islamabad THE MUSLIM in English 22 Jun 83 p 8

[Article by Ashraf Hashmi: "Political Parties Won't Take Part in Government Held Polls"]

[Text] KARACHI, June 21: The current convener of MRD and the chief of the defunct National Democratic Party, Sardar Sherbaz Khan Mazari, declared here today that the political parties would neither accept nor take part in any elections held by the present government as they had no confidence in it and were fully convinced that the election authorities appointed by the regime would only produce results of the regime's choice.

Talking to The Muslim here at his residence the NDP chief said he would suggest to the MRD central committee meeting here on June 24 to declare a complete boycott of the local bodies polls being held by this government as they would be a violating the provisions of 1973 Constitution, which was very clear on this point. According to it first the election of the National Assembly was to be held followed by Provincial Assemblies elections, then the representative provincial governments were to hold the local bodies polls.

He said he was convinced that none of the components of MRD would ever think of taking part in these elections as each of them was committed to the restoration of 1973 Constitution and lifting of martial law.

Rejecting the idea of setting up of an interim national government to hold general election, MRD's chief asked how the national political parties, struggling for the lifting of martial law could join such a government. According to him the only way out in the present impasse was that the regime should hand over power to those High Courts and Supreme Court Judges who had refused to take oath

under the Provisional Constitutional Order (PCO). These judges, he said, should hold general election in the country under an impartial election authority.

Talking about MRD's civil disobedience movement proposed to be launched from August 14, he said the movement is bound to succeed as the people have full confidence in MRD and desperately want a change. If the government tried to suppress the movement by using force the chance for bringing a political change in the country would finally be over paving way for - subversion, conspiracies and bloody revolution, the consequences of which would be horrible for the nation, he warned.

He described the prevailing situation as unparalleled in the country's history. He said the people have been deprived of their basic rights and were being treated as the second rate citizens in their own country. The law and order situation has worsened, corruption was mounting to the highest level, judiciary has become helpless, and it has become impossible for a common man earn even two meals in a day for his children. "In a country where 84 per cent of the revenue budget is consumed by unproductive expenditure like defence, debt servicing and administration, what good could be expected for the welfare of the common man," he asked.

The people, Mr. Mazari said, were fed up and stage has arrived when they could no longer be fooled. Entire nation is desperately for a change and wants return of democratic rule in the country. The MRD, he said, was fully competent and prepared for bringing the desired change.

He appealed to all those political groups and parties which believe in democracy and rule of law to extend full support to the MRD's movement which was aimed only at the restoration of democracy and not installing any particular group in power.

He said the movement will begin from July 5 with the observance of black day throughout the country, and from August 14 the MRD components will start violating all martial law regulations and the restriction of Section 144. He said he was busy in negotiating with various political parties outside the MRD for seeking their cooperation.

The defunct PNP and Socialist Party had already promised full support for the movement. His talks with the defunct JUP chief Maulana Shah Ahmed Noorani have been very successful and the Maulana has also extended his full support and active participation in the movement.

Replying to a question, he maintained that there were no differences in MRD. "We are a democratic organisation and may differ on various points but our decisions have always been collective and unanimous."

Referring to the new political structure which the President has promised to announce on August 14, he said, "We do not give right to any individual to impose any political structure." The political structure, of the country, he added, was framed and finalised in 1973 when all the major political parties had agreed on a constitution. The present regime had no right to make any change in 1973 Constitution and if it was made the nation would reject it.

He said he was surprised at some religious parties favouring of changes in the Constitution so as to give it an "Islamic colour." These are the parties that once had taken credit for forcing the then government into giving an Islamic Constitution to the country. If 1973 Constitution was fully Islamic when it was promulgated how it has now become un-Islamic in six year's time, he asked.

He also took to task those who favoured the idea of sharing power with the armed forces on the pretext that this would eliminate the possibilities of imposition of martial law in future. If in the presence of a constitution which had clearly defined the role of the armed forces the take-over could take place what would happen in case the principle of intervention by armed forces was accepted as their constitutional right, he asked.

Sherbaz Mazari said the demand for separate electorate in a country where 95 per cent of the population is Muslim was ridiculous. The idea of holding general election on non-party basis was also anti-people as it would destroy the very basis of our federal system, he added.

The NDP chief deplored restriction of political leaders movement.

He said the recent workers' conventions held under the MRD's directives have been successful in Sind, Baluchistan and NWFP. He was not aware as to what had happened in Punjab. He said the people of Punjab were to play a decisive role in the movement and he was hopeful that they would come true to their past traditions.



## PUNJAB BUDGET ANNOUNCED; NO NEW TAXES

Islamabad THE MUSLIM in English 18 Jun 83 pp 1, 8

[Article by Mahmood Zaman: "No New Taxes in Punjab's Rs. 20,800m Budget"]

[Text] LAHORE, June 18. Punjab Minister for Finance, Taxation and Excise Mian Mohammad Nawaz Sharif today announced the new Punjab Budget for 1983-84 amounting to Rs. 20,800 million.

The deficit budget proposes no new taxes and the existing ones have also not been touched. The budget estimates show in the non-development account a receipt of Rs. 9,529.2 million against the gross expenditure of Rs. 10,260.1 million. After providing 7.5 per cent economy cut on all the non-development revenue expenditures expected that the deficit will be met out of the special federal grants of Rs. 173.9 million. Deficit of the budget will be plugged through various measures including improving collection of tax receipts which expected to reach the target of 19.4 per cent growth rate.

Presenting the budget on the provincial network of radio and television today the Punjab Finance Minister said that the efforts of the government would be to transfer large resources to the long-neglected rural areas, the less-developed regions and to the more vulnerable groups of the society in the province.

The budget provides Rs. 4,220 million for financing the annual development programme (ADBP) and the priorities sectors are listed as agriculture and education. Rs. 5,680 million have been provided for economic and social services.

Rs. 6,640 million for state trading in foodgrains and sugar and Rs. 840 million for capital expenditure outside the development account.

Taking of private sector the Finance Minister said that they try to encourage participation of private sector in the totality of development efforts. As a part of deliberate policy the government would like to restrict the role of public sector to that of a catalyst for providing physical and human infrastructure. Private initiative in providing physical infrastructure in association with the public sector will be welcomed. This effort may cover highways, buildings, energy development and social services.

The Punjab Finance Minister said that agriculture is the largest and most important part of the province's development programme and the total allocation for this sector is Rs. 973.9 million, which constituted 23.08 per cent of the total development outlay. The emphasis in this sector will continue to be on farm to market roads, electrification of tubewells, development and conservation of water resources, improvement of seeds of major crops and incentives for development of selected areas. A determined effort will also be made to increase agriculture production in the province by bringing more areas under cultivation.

Talking of the education sector he said that it has been given equal

importance in the budget and 488.9 million rupees have been provided for this sector. The emphasis will continue to be laid on primary and secondary education which together account for Rs. 267.9 million which is 54.80 per cent of the total allocation for education sector. A special programme launched during the current financial year for development of primary education will continue in the next financial year. It is proposed to open 1,582 mosque schools, upgrade 330 primary schools and similarly raise the level of 208 middle schools to high standard.

About handicapped and disabled children he said that Rs. 67.30 million have been provided in the new ADP for opening a school for blind girls at Lahore, establishing an institute for mentally retarded children, upgrading one middle school for the deaf to high level and one high school to higher secondary level besides improving the existing institutions through the introduction of new trades and provision of various facilities.

Mian Nawaz Sharif said that the new budget places special emphasis on the provision and expansion of social and infrastructural facilities for rural areas and as much as 61 per cent of the total development programme has been allocated for schemes located in the rural areas and Rs. 160 million have been earmarked for matching grants to

the union councils, zila councils in case of projects which are locally planned and partly financed through the public participation.

The Finance Minister said that special allocation of Rs. 45.5 million has been made for development of Dera Ghazi Khan, Soan Sakosar Valley, Nankana Sahib and Cholistan reflecting government's desire to develop the backward areas.

The Finance Minister said that an allocation of Rs. 937 million has been made for roads and bridges including 625 million rupees for farm to market roads, 40 million rupees for other rural roads and 272 million rupees for road building programme to be executed by the Provincial Highway Department.

In health sector Rs. 888.9 million have been provided which include Rs. 93.4 million for special programme for children immunisation, training of dais and oral rehydration. Besides Rs. 83 million have been provided for teaching hospitals, Rs. 32.6 million for district headquarters hospitals, Rs. 28.6 million for rural health centres, Rs. 112.5 million for basic health units and Rs. 69.5 million for medical education.

Rs. 306.2 million are to be spent on subsidising the distribution of atta and Rs. 190 million have been earmarked for financing rural water supply, sewerage and drainage schemes.

JI LEADER AGAINST ANY POLITICAL FORMULA

Karachi DAWN in English 25 Jun 83 p 9

[Text]

QUETTA, June 24: Qazi Hussain Ahmed, General Secretary, Tehrik-i-Islami, Pakistan, has said the political structure to be announced by President General Mohammad Zia-ul-Haq on Aug. 14 would not be acceptable to people and political parties of country.

"Solution to our problems lay in the restoration of the 1973 Constitution in the presence of which there is no need of any new political structure," he said.

Qazi Hussain Ahmed, who was talking to newsmen in Quetta on Thursday evening, said his party firmly stood for restoration of democracy and holding of elections in the country under the 1973 Constitution and on the basis of proportional representation system.

Elections on the basis of proportional representation, he said would in no way injure the spirit of the 1973 Constitution.

In reply to a question he said any agitation launched in country by the political parties would only end in the present government being replaced by another martial law.

The need was to form a united political force in country to bring about a change in the set-up, he added.

He called for a broad-based understanding among like-minded parties having Islam as the basis of their polity.

He identified the defunct Jamiat-i-Ulema-i-Islam (JUI), Jamiat-i-Ulema-i-Pakistan (JUP), Jamaat-i-Islami (JI) and faction of Muslim League (PML) as the parties which could enter into an alliance for steering the country out of troubled waters.

Referring to Afghanistan issue he said any agreement reached at Geneva talks would not be acceptable to Afghan Mujahideen as well as refugees. Such an agreement, he added, will become cause of what he called a serious crisis because the key of the whole issue was with Afghan freedom fighters and Soviet Union and none else.

He said it would not be within the means of the Government of Pakistan or anybody else to implement decisions taken at Geneva talks.

CSO: 4600/711

## BALUCHISTAN DEVELOPMENT: PLANS, EXPENDITURE DISCUSSED

Islamabad THE MUSLIM in English 19 Jun 83 p 6

[Text] QUETTA, June 18: A record amount of about Rs 280 crore is being spent in Baluchistan during the current financial year on its all round development in a bid to erase the backwardness and bring it at par with comparatively developed parts of the country.

Of this the large amount of Rs. 10 crore was allocated by the Federal Government for the implementation of the schemes initiated by the federal agencies in this province. Its big chunk is being utilised by WAPDA on its extensive programme of provision of electricity to the villages. Work is going on fast speed for setting up of grid stations and laying of transmission lines for the purpose. This programme would greatly help in setting up of tubewells and promote agriculture in the province.

Large reserves of natural gas have also been found in Pirkoh and other areas in its vicinity which would augment the natural gas reserves to a great extent.

Baluchistan has large copper reserves in Saindak area in the border district of Chaghi as well as Lasbella. The Central Development Working Party (CDWP), which met in Quetta recently, has already approved the Saindak integrated mineral project expected to be taken in hand this year. Chemical analysis of the Saindak copper have established contents of gold and silver.

Besides WAPDA, other federal agencies like the Geological Survey of Pakistan (GSP), Pakistan Mineral Development Corporation, Indus Gas Co. (IDGC), PWD, Railway and Civil Aviation and Telephone and Telegraph Department are also engaged in their respective fields in exploration as well as exploitation of the natural resources and implementation of the schemes of public utility.

Though Baluchistan is the largest province of Pakistan and is endowed with rich resources it was kept backward by the alien rulers in the pre-partition days for their ulterior motives.

To erase the traces of the backwardness the present government launched a Special Development Programmet (SDP) last year and provided Rs. 86 crore for the first year. This included foreign assistance of Rs. 71 crore.

Major portion of the funds for the SDP are to come from the friendly countries. Under the plan work was started on two schemes during 1982-83. Under the programme 153 bulldozers, 10 transporters, 31 mobile workshops, 120 grain machinery are being imported with Japanese assistance.

With the co-operation of the World Bank 20 small irrigation schemes would be started in Zhob, Loralai, Khuzdar and Bela districts bringing an additional area of 9400 acres under cultivation in six years time.

With Japans assistance, drinking water would be provided to 25,000 rural population of Sazanai and with German's co-operation small social welfare schemes would be implemented on the self-help basis.

Rs. 96 crore have been allocated this year for the second year of the SDP. The programme includes construction of Sibi-Tallai Kahan, Kohlu-Barkhan Rakhni Road, extension of the Pat-Feeder Canal, construction of Mirani Dam in Mekran Division, setting up of coal based power station at Dukki in Loralai district, laying of 220 kv transmission line between Dadu (Sind) and Khuzdar (Kalat Division), setting up of steam power station in Mekran and construction of Khushdil Khan Bund in Pishin area.

During the current financial year an amount of Rs. 63.50 crore was provided under the provincial Annual Development Programme (ADP), 161 on going and 89 new schemes were taken up of which 125 schemes have either been completed or would be implemented by the end of this month. Work on remaining schemes would continue next year. The amount is expected to be utilised by the end of current financial year in accordance with the programme and the development target would be achieved.

The federal agencies working in Baluchistan are also expected to spend a handsome amount on the implementation of their development schemes.

The year 1982-83 was a land mark in the development of Baluchistan. It was the last year of the Fifth Plan and first year of the SDP. During this year projects which were considered to be non-practicable in the past were implemented.

These included provision of natural gas direct from the Sui Gas fields to Quetta, Sibi, and Dera Murad Jamali, completion of the RCD and Loralai-Dera Ghazi Khan high ways and setting up of radio stations at Khuzdar and Turbat.

Construction of Engineering College at Khuzdar, Cadet College at Mastung, Industrial Estate at Hab (Lasbella district), Irani Dam and extension of Pat feeder Canal in the coming years are pointer to the bright future of Baluchistan. -APP Feature.

## NWFP BUDGET: GAP IN RESOURCES, OUTLAY CRITICIZED

Karachi BUSINESS RECORDER in English 18 Jun 83 p 2

[Text]

The NWFP budget for the fiscal 1983-84 as announced by the provincial Finance Minister Saim Saifullah Khan is said to be social welfare oriented with a total outlay of Rs. 463.08 crore, envisaging a development expenditure of Rs. 117.65 crore. That the provincial resources are not enough to take care of the development expenditure is evidenced by the fact that this whole outlay would be contributed by the Federal Government. It is a fact that the provincial sources of revenue are inelastic as major sources of revenue have been monopolised by the Federal Government. The result is that provinces are left at the mercy of the Federal Government and the concept of provincial autonomy exists in name only. Every province faces special problems which need to be tackled and for which funds are required. Unless provinces have got enough sources of revenues they would not be able to discharge their responsibilities

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The ADP envisages about 85 per cent of the total outlay to be spent on the welfare of the rural population. This is a correct strategy which has been adopted by the present Government. As the majority of our population lives in villages it is necessary that it should be provided with basic needs of life. Education and health are the two most important items which should be arranged on priority basis. Education, health, drinking water, social welfare, manpower and labour sectors will get 44.29 per cent of the total outlay. Education gets the top most place and will receive about 21.15 per cent of ADP. The main emphasis would be on the promotion of primary education. Under the programme 485 new primary schools would be opened. Next in line comes the health sector which has been allocated Rs. 16.20 crore to be spent on completion of on-going schemes and starting of new ones. A sum of

Rs. 15.22 crore has been allocated for water and power sectors.

As far as the revenue budget is concerned, it envisages mobilisation of additional resources worth 1.64 crore rupees leaving a net deficit of Rs. 69.50 lakh, which would be met through recovery of Government arrears during the course of the year. It envisages the total current expenditure of Rs. 345.43 crore as against resources of Rs. 343.33 crore. It is clear that non-developmental expenditure has been increasing year after year and the provincial revenues are inadequate to meet it. Even after a cut of 7-1/2 per cent, the current expenditure would be Rs. 345.33 crore otherwise it was estimated at Rs. 361.83 crore. The unproductive expenditure of the province is three times of the ADP outlay. This figure is enough to point out how seriously the bureaucracy takes up the question

of development and welfare.

Another point that one is reminded of is that a poor country like ours is indebted to the tune of 12 billion dollars on which it would need to pay about two billion dollars annually. This is a huge burden. Can we repay this amount if our rate of growth is 6 or 7 per cent per year? Our life style is such that it does not show that we are indebted at all. We live like princes. This is because we have not yet been able to shun feudal way of thinking and living. We like pomp and show.

If we want to make economic progress then it is necessary that we should desist from conspicuous consumption, must cultivate the habit of frugality and save money to invest in productive pursuits. The provincial budgets that have been so far announced follow a set pattern. There is nothing ingenious about them.



# USSR TO COOPERATE IN DOWNSTREAM INDUSTRIAL UNITS

Islamabad THE MUSLIM in English 20 Jun 83 pp 1, 8

[Article by Ashraf Hashmi]

[Text]

KARACHI, June 19: The Soviet Union has agreed in principle to cooperate with the private sector in the country for the establishment of downstream industrial units necessitated because of the functioning of the soviet aided Pakistan Steel Mills.

Disclosing this to a group of Punjab based correspondent visiting the mill, the PSMIC chairman H.N. Akhtar said, during his recent visit to Moscow the Soviet Union assured him of its full support and help in setting up downstream industrial units based on Pakistan steel and had agreed to extend full cooperation to the private sector in this respect. He said the names of four Pakistani firms which had shown interest in setting up engineering industrial units had been supplied to the Soviet Union and further negotiations on this account would soon be followed.

His recent mission to Moscow, Mr. Akhtar said, had been very successful and satisfactory during which the question of further supplies of equipment and machinery was resolved. He said the country would soon be receiving the necessary equipment and material required for the commissioning of two major value-added product manufacturing plants, the cold rolling mill and the hot strip mill — the construction of which was now in full swing.

The total equipment and material which Pakistan was to receive from the Soviet Union under the agreement, Mr. Akhtar said, Pakistan had already received 98 per cent amounting to 542,438 metric tons of equipment and 519,460 tons of material. The shipment of equipment and material now required

for the commencement of hot strip mill and cold rolling mill was expected within three to four months and he added he was happy that both these units would be ready for trial production by early next year.

Mr. Akhtar said the first phase of Rs. 25 billion project was completed with the commissioning of first blast furnace, the billet mill, first steel convertor and first bloom caster. The trial run of the establishment, he said, was now over and the stage of consolidation had been achieved. The mill, now running in three shifts was producing 1000 tons of steel per day and this production would soon be geared up.

The second blast furnace, the construction of which has already been completed, Mr. Akhtar said, would go to operation by the end of next year along with the second steel convertor and bloom caster and it was hoped that the mill hits targeted production of 1.1 million tons by 1985. He said the infrastructure for the future expansion had already been laid down and the capacity of the plant could be doubled with only half of the cost. The mill was originally estimated to cost Rs. 19 billion but its cost went upto Rs. 25 billion and if it was further delayed it would cost Rs. 185 crore escalation annually.

Mr. Akhtar said out of the total allocation of Rs. 25 billion more than Rs. 20 billion have been consumed till May this year. Last year, he said, the mill was allocated a sum of Rs. 306 crore, which had been reduced to Rs. 270 crore this year against the demand of Rs. 345 crore. He, however, maintained that despite the cut the development phase would not be affected.

When the country achieves the target production of 1.1 million tons steel, Pakistan, he said, would be earning Rs. 700 million per annum with a foreign exchange component of Rs. 200 million.

He strongly refuted those who opposed the idea of setting up steel mill on the pretext that the country neither had the resources nor the indigenous raw material. He said they were people who never wished Pakistan to enter into machine and industrial age. He cited the example of Japan which according to him had no raw material at all but emerged as the second largest producer of steel in the world. The Chairman said the country was now importing iron ore from Canada, Australia, Brazil, Liberia and India at a cost of not more than 20 dollar per ton. He said the 30 million estimated iron ore available in Naukundi was being explored. Naukundi iron ore, he added, contained 58 per cent iron content which is suitable for making steel. A number of studies, he added, were being carried out and he hoped that in three to four years time the steel mill would start using the indigenous iron ore.

About the consumption of coal Mr. Akhtar said we had already sent the sample of the coal available here to various international laboratories and if it was found suitable "we would definitely make use of it."

Describing the project as the basis of economic revolution, he maintained that easy availability of basic inputs of iron and steel products will have a wide-ranging and multi-dimensional impact on the national economy. Pakistan Steel apart from producing 1.1 million tons of raw steel per annum would also provide a number of by products like coke, pig iron, billets, hot rolled sheets strips, cold rolled sheets and strips, galvanised sheets and formed sections.

Talking about the expansion of the mill he said it mainly depended on demand and said that according to his expectations the projected production of 1.1 million tons would be stabilised by the year 1987 and after achieving the consolidation stage the country might actively be considering the expansion by the end of the Sixth-Five-Year Plan.

HINDU COMMENTS ON PAKISTAN'S ECONOMIC GROWTH

BK021419 Madras THE HINDU in English 17 Jun 83 p 8

[Editorial: "Pakistan's Growth"]

[Text] Right from the time Gen Ziaul Haq ousted Zulfiqar Ali Bhutto some six years ago, Pakistan has been under a military regime that seems ruthlessly to pursue a policy of Islamising its society. The brutal ways of the junta, led by an egocentric dictator, have been condemned widely. Yet if official claims are taken at face value, economic consolidation has been one of the positive achievements of the Zia regime. In the Fifties, immediately after the take-over by Field Marshal Ayub Khan, similar official statements pointed to a remarkable improvement in economic management, but there was a quick structural collapse. Perhaps there is a parallel in the present self-laudatory comments by the Pakistani Government; or perhaps the claims have something in them. The Finance Ministry's economic survey for the fiscal year July 1982-June 1983 reports overall growth in many sectors, substantial improvement in social services and family incomes, and stability in essential consumer goods prices. The rise in consumer prices--a better indicator than wholesale prices of the impact of inflation on the people--is placed at a low five percent, compared to the 12 percent recorded in the previous financial year. The gross national product [GNP] grew by 6.5 percent, compared with 5.4 percent in 1981-82. Wheat and cotton output increased by 10 percent but there were reverses in rice and sugarcane. The nine percent growth in exports compares with a 17 percent decline in the previous year. Also aiding the foreign exchange accretions were the large remittances (from workers) of nearly \$3,000 million. The Fifth Plan investments were slightly higher than originally conceived, but the growth rate was six percent against the target of 7.2 percent.

The current year's budget deficit has been marginally narrowed by Pak. Rs. 200 crores of new taxes (one Indian rupee is equal to 1.25 Pakistani rupees). Defence spending remains at a high 28 percent of the total federal budget. The success--or failure--of the efforts to revitalise Pakistan's economy can be assessed only when the foreign creditors press for loan repayments, although the country needs to remind itself that the external debt has trebled since the end of 1971, the year of the liberation of Bangladesh. During the last decade the net increase in foreign debt has been to the tune of \$6,000 million--a figure which does not include what has been received

from oil rich Islamic sister nations as gifts. Debt servicing has already reached an annual level of \$900 million. The economic survey declares that "the paramount objective of government policies is to make Pakistan a fortress of Islam." With its savings rate still a low 13 percent of the GNP, Pakistan has a long way to go to achieve a fair degree of self-reliance. For a substantial part of the development programme, it will have to depend on foreign assistance.

CSO: 4600/736

TUFAIL AHMAD CAUTIONS NATION ON AFGHAN ISSUE

Karachi DAWN in English 25 Jun 83 p 9

[Text]

LAHORE, June 24: Mian Tufail Mohammad, Chief of defunct Jamaat-i-Islam has in a Press statement said that disastrous consequences could flow from Pakistan's likely resilience from the righteous posture, so far adopted by it vis-a-vis the Afghanistan issue.

Commenting here on Thursday on the reports of a compromise formula for the issue, which is on the anvil at the third round of the Geneva talks, he recounted the four basic terms of political settlement on this highly sensitive issue as:

- (1) The unconditional pull-out of Soviet troops from Afghanistan
- (2) The restoration of the non-aligned and Islamic status of that country
- (3) The Afghan people's right to have a political set-up of their choice and form their own government
- (4) The creation of an atmosphere of peace and freedom in that country, conducive to the safe, unhindered and honourable return home of the Afghan refugees.

Mian Tufail Mohammad said: These terms have been regarded as fundamental and minimal by all international organisations worth the name, including the United Nations General Assembly, the Islamic Summit and the Conference of the Non-Aligned Movement.

Mian Tufail added that President Mohammad Zia-ul-Haq, too has been reiterating these terms right from the beginning. Nevertheless he said reports from the current session of the Geneva talks show that the Pakistan team is resiling from the said inviolable principles. The shift in stance he added, comes as a surprise to every one gifted with sense and sensibility. Particularly so to the Afghan masses.

Mian Tufail warned the Government of Pakistan that if it effects a compromise on the freedom and sovereignty of Afghanistan and its Islamic identity, the formula forged in the Geneva crucible will not at all prove to be feasible and shall in no way be acceptable to the people of Afghanistan and Pakistan.—PPI

CSO: 4600/711

## DEVELOPING TRIBAL AREA SUGGESTED FOR SOLVING AFGHAN PROBLEM

Islamabad THE MUSLIM in English 13 Jun 83 p 8

[Article by Mahmood Zaman]

[Text] LAHORE, June 12: Dr. Mobashir Hassan has suggested undertaking development of tribal areas lying on both sides of the Durand Line on a massive scale, as he thinks that by affording the fruits of progress and prosperity to "one of the most backward peoples of the world", real stability in the region will come, which will also entail a lasting solution of the Afghanistan issue.

Talking to 'The Muslim', Dr. Mobashir Hassan, now busy with his independent planning commission, opines that even if the Geneva talks conclude successfully and a political settlement of the issues is reached, "something more than goodwill on the part of the parties concerned is required". According to him this 'something more' is materially developing the tribal areas which have never been counted among 'settled districts'.

The former Finance Minister is hopeful of foreign aid for the development of these areas, including the USA and the Soviet Union. He suggested to both the governments of Pakistan and Afghanistan that they should combine their resources and talents to solve the material problems in order to clear

the way for social and political stability".

He thinks that development works should be carried out by the countries on a bilateral basis or under the auspices of the United Nations, and all other countries of the world should also be asked to contribute towards this.

Dr. Mobashir Hassan said high stakes were involved in the Geneva talks between Pakistan and Afghanistan, due to be resumed in the middle of this month. The whole world awaits with anxiety a political solution of this unfortunate question. Return of the Afghan refugees to their homeland and withdrawal of Soviet forces from Afghanistan are the objectives considered desirably by all the parties concerned, he said.

In order that a political solution arrived at Geneva, should be a lasting solution, something more than goodwill on the part of the countries concerned is required. In the turbulent world of today, political solutions have a tendency to be shortlived, he said. Factors of economy, ideology and culture continue to pose potent threats to peace.

The areas lying on both sides of the Durand Line are especially prone to all kinds of disturbances. These are among the least developed areas of the world.

Lacking communications, trade, agriculture and industry, these areas are able to support only such social orders as are not susceptible to conforming to arrangements made by the central governments from Islamabad or Kabul. That is why these are not counted among the 'settled districts'.

Dr. Mobashir said history has presented a unique opportunity to the Afghan and Pakistan nations to put an end to the poverty, misery and backwardness of thousands. Modern technology and an imaginative approach make it feasible for a new leaf to be turned and a breakthrough to be achieved in the march of the brave peoples living on both sides of the border.

Only massive economic development of the areas can bring peace, he said. The governments of Pakistan and Afghanistan should agree to combine their resources and talents to solve the material problems in order to clear the way for social and political stability. Parallel efforts will be required on both the sides. The works of economic developments may be carried out on a bilateral basis or under the auspices of the United Nations. All the countries of the world, including the USSR and USA should be asked to contribute to a fund for this purpose, he concluded.



## MRD DISCUSSES PLANS FOR 5 JULY, 14 AUGUST

Karachi DAWN in English 25 Jun 83 p 6

### [Text]

The MRD Central Action Committee at an eight-hour session in Karachi on Friday discussed its programme for observing July 5 as its "Protest Day" and its campaign to be launched on Aug. 14 next for the restoration of democracy.

Discussions, which remained inconclusive, will be resumed today and the decisions, if any, will be made known at the Iftar party, which Mr. Nafees Siddiqui, Secretary-General of the National Council for Civil Liberties, is holding for the MRD leaders.

The Committee meeting was presided over by the Convener, Sardar Sherbaz Mazari, at his residence.

### Participants

Participants included Khwaja Khairuddin (PML), Makhdoom Khaliquzzaman (PPP), Mr. Mairaj Mohammad Khan and Mr. Iqbal Haider (Qaumi Mahaz-i-Azadi), Mr. Fatehyab Ali Khan (Mazdoor-Kissan Party), Mr. Abid Zuberi (NDP) and Mr. Anwar Abbas Naqvi (PDP).

Two other member parties did not participate — Tehrik-i-Istiqal, because of its differences over the MRD's 31-point charter, and

Jamiat Ulema-i-Islam (JUI) on account of its decision to suspend its participation in the MRD meetings till Aug. 1 for organisational reasons.

Others who attended the Action Committee meeting were the Convener, Sind MRD, Mr. Yusuf Jakhraji (PPP); Punjab MRD Secretary, Rao Abdur Rashid (PPP); NWFP MRD Secretary, Mr. Abdul Khaliq Khan (NDP); and Baluchistan MRD Secretary, Khwaja Ghulam Sarwar (NDP).

### Special invitees

Special invitees were Mr. Yusuf Masti Khan, Karachi Zone chief of the defunct Pakistan National Party (PNP); and Mr. Nafees Siddiqui, Secretary-General, National Council for Civil Liberties.

At today's session the MRD Action Committee will, inter alia, discuss whether to participate or to boycott the forthcoming elections to the Local Bodies. Positions of the coalescing parties on the issue seem to differ sharply. However, if no unanimity is reached, the Committee might as well leave the matter to the "good sense" of the National Executives of the member parties, one source predicted.

# SEPARATE CADRE FOR SCIENTISTS BEING CONSIDERED

Karachi DAWN in English 25 Jun 83 p 8

[Text]

LAHORE, June 24: The Government is considering to create a separate cadre for scientists and to improve their career advancement opportunities, according to official sources.

The promotion to the higher grades will be delinked from availability of posts and, instead, linked with the research, merit and achievements. In the case of highly competent research scientists, it will be possible to allow promotions up to Grade 22 without shifting them from their research positions to higher administrative posts.

The career structure, pay scale and fringe benefits for professionals in science and technology will be made commensurate with the level of qualifications and ability.

These steps are being planned with a view to give a boost to the scientific and technological development of the country, these sources added.

The Government is also considering to provide maximum opportunities to the scientific professionals to participate in the important seminars and conferences held within the country and abroad without having to go through the procedures of obtaining no-objection certificate (NOC) from various government agencies.

Research scientists and technologists will be allowed relatively free movement from one organisation to the other so that persons with similar training but working in different organisations could join hands to form effective research groups for collaboration on important projects.

Besides, the Government is also planning to introduce a system of well-paid contract appointments in the research institutions. The research councils and institutions would be empowered to make ad-hoc appointments whenever necessary.— PPI.

CSO: 4600/711

## MAHBUBUL HAQ COMMENTS ON SIXTH 5-YEAR PLAN

Islamabad THE MUSLIM in English 12 Jun 83 Supplement pp 8-9

[Text]

IN his opening remarks Dr. Mahbubul Haq said: 'This discussion is not to score points. The whole nation has every right to participate in the debate on the Sixth Five-Year Plan. Every one has the right to ask questions. I am now at your disposal and you may ask me any question regarding the Plan. JN: What will be the monitoring pattern for the Plan? Will it be left to the same organisations as in the past?

DR. HAQ: I think the monitoring pattern will take at least three forms. First, we have to ensure that the Plan allocations are not only made in the Plan but are translated every year in the Annual Development budget - that, after all, is the controlling and implementing institution. And to the extent that we fail to convince either our colleagues in the government or the people in the administration that these priorities should be translated into practical budgetary allocations. There will be lack of implementation. The second instrument is to ensure that the development projects in each sector are facilitated and that there is a monitoring of implementation of these projects during the course of the year. That is why a Projects Division has been set up with a full time responsibility to follow each and every project from the time of its conception to the time of its completion, and to publish on each project what we call an ex post facto evaluation. It will be a public document, and facts will be available, to the nation. During the course of a project implementation, if there are major policy hurdles or issues that need policy resolution, there will be a committee at the highest level, of myself and the President, to resolve these issues. The third instrument for implementation is to ensure that the policy shifts which are indicated

in the Plan are also actually matter of government's policy apparatus. For example, if we are indicating in the Plan that class one to ten should be extended to cover 12 years and after 12 years, the students should be siphoned off into technical and vocational schools - this has to be translated into a policy proposal - We are taking it to the Cabinet to debate it and then implementation of the Plan will float up. All this effort may not be good enough and there may be various problems in implementation, but one thing I would like to ensure that during the course of the year as these problems arise, they will be a matter of public knowledge and debate, because in the last analysis, I do believe that the greatest check on the implementation as well as the greatest pressure for the implementation of policies is public pressure and we do intend to mobilise it.

AB: Do you expect any public pressure in the absence of any political activity in the country? How is public pressure supposed to exhibit itself?

DR. HAQ: I take the system as it is at the moment; it might change. Within this system the best that can be done is to raise the issues in the Press. That I do believe is a form of public pressure. And I do believe in a very honest, candid dialogue on these issues in the Press. Second, I believe that one of the major forums at the moment for this kind of dialogue which we have is the Local Bodies and that is the only elected level that we have at this stage. I am a strong believer in their effectiveness and in their right to implement development projects at the local levels. There are differences on this issue. It is not that easy to delegate development powers to the Local Bodies. We have suggested in the Plan that

on various issues in the area of local development like primary schools, basic health units, roads or even rural electrification, the Local Bodies should have a major role in their implementation and a major voice in the policy determination. I have no illusions that it is going to be easy. There are always in every country tussles for power between various groups - urban and rural areas, national and local levels, but I think that the form of pressure that will come through Local Bodies can be more responsive to local pressures.

SB: There is also a feeling that while formulating the Plan, you have assumed that the Martial Law regime is going to last for five years.

DR. HAQ: We have made no assumptions whatsoever on the political future of this country. I have been very concerned that the Plan should be seen not only as a Planning Commission Plan, not only as a government Plan but also as a national Plan and as such I have searched, I don't know how successfully, in every forum to have a dialogue on various national issues. I believe that we should set in the Plan a sense of national direction which represents a very broad cross section of opinion within the country. And I am not biased whether it is opinion on the right or the left or in the middle because I have sought out these opinions as much as I could. Unless the Plan sets a sense of direction which is commonly shared (it) can easily be repudiated by any section of society. Various governments may change the pace and priorities but I think we have tried in all these respects to identify certain very fundamental needs of society which we should find solutions which can find national acceptance and ultimately if we have done it correctly, I personally feel that it would stand the test of time. So that has been, frankly, our perception of plan making. It is very difficult for any planner anywhere I can tell you to predict as to what the future political setup would be.

JN: The Press and the Local Bodies, have their limitations as far as monitoring or pressure building is concerned. you have stated that these are the only two available to you, but there are certain other factors which do intervene at this stage like the agents like the, PWD which has some inherent defects. have you taken those defects into account to streamline it so that the flow is honest?

DR. HAQ: I will give you the experience that I had at the World Bank. Although I am always accused of trying to practise World

Bank policies in the country, I try to learn from any experience that I have. McNamara who was president of the World Bank, I worked rather closely with him, was setting up an evaluation system of projects in the World Bank and he made sure that the department that is set up and the person who is put in charge of that as vice president should not be responsible to him, but to an executive board of governments and should be hired for only a 5-year period towards the end of his career with no provision for re-hiring and that every report that is produced by that department, however critical, whatever confidential material it might use, should be made public. There was a lot of opposition to this and the World Bank got into a good deal of trouble on this in many countries but I think the essential principle was right that the only accountability in the last analysis is accountability which is seen by everyone around, which is public. Because unless one takes these safeguards, it is too easy, the temptation is too great, to paper over the difficulties, and that is why, as I indicated earlier, that whatever the projects, whether the PWD is involved or any other agencies, there should be a candid, honest analysis. And I believe that it should not be in order to put ministries or people on the spot but in order to learn the lessons, in order to facilitate issues for the future, in order to spread the message that these are public funds, very hard-earned, tax-money, collected very painfully from the people, that there must be a very efficient use of these. Frankly I have not been able to think of any other system. But I am very open to any suggestions as to how we can improve the implementation aspect of our development. We have had brilliant plans, we have people whose conception of policies is second to none, yet many of these suffer when it comes to grass-roots implementation and I often ask the question why, because Pakistan is also blessed with one of the finest administrative structures in the world. I say this very deliberately and yet things take an awfully long time, projects linger on, there are too many costly delays and that is something we've got to take care of in the course of the Sixth Plan.

A.H.: Will you agree that this plan is tax-oriented. As you have already defined it in the Plan that 46 per cent of the revenue resources go to the defence, 30 per cent of it we have to pay as debt servicing, leaving only 26 per cent. If we deduct 10 per cent from non-developmental expenditure, only 15 per cent of the total revenue is

available for the national needs. The plan strategy offers a novel feeling that even 15 per cent is not spent for the common people. As according to the visualised in the 6th Plan, the people will have to pay more for social services like education, health and communications. The Plan has coined a new phrase of user charges that leads to the conclusions that whoever has the paying capacity will be entitled to the basic amenities. This is a pure bureaucratic approach rather than an expert handling by an economist of no less than your calibre.

DR. HAQ: You won't be surprised if I don't quite agree with that assessment. Firstly, let me say that there is no intention in the Sixth Plan to make the user charges so high that services are denied to those who are unable to pay. That is really a great caricature of what is being suggested. We have, as you rightly said, three national services: Free education certainly at the school stage and at the university stage the fees are about Rs. 15 to 20. In terms of subsidy that we calculated in the education and health will be covering less than five per cent of the total expenditure that we spent on them. Now what has happened as a result of it. Two things: One is that the coverage of these services has remained limited, since no country could afford free services on a national basis. They made them free and that is very restrictive in the sense that there is very little education in this country and there is very poor health. We ought to be ashamed of (it) the services we have whether we call them free or not doesn't matter. Second, the service element has really disappeared from the services. Now what kind of service is this that students do not get their education for which they come to schools; that the patients do not get the health facilities for which they come to our hospitals? Do you know what the conditions are in most of our hospitals? Overcrowded, under-staffed, lacking even the ordinary medicines. Again as a nation we should be in disgrace as to what kind of an education and health services we have. I will tell you why. Because ultimately nobody is willing to pay for it. If the beneficiaries don't pay or pay very little, say one per cent or two per cent of the total cost, if the nation doesn't pay because the several taxes are very high, then why do you keep asking us for more money to run these facilities? The quality of service after sometime will deteriorate. I am of the view that it will far more honest to charge a little for these services and that will provide

the service that we have promised and I will give you an example. At the school stage when I say charge a little, let's say five rupees tuition fee a month, if we do that we shall collect Rs. 70 crore a year and as a result of it we can double the salaries of the teachers and provide much better facilities to the schools or some of the equipment that our schools lack. I think it will be far better and more acceptable to the people if it is projected that way.

AB: Do you mean you can improve the quality of education simply by raising teachers' salaries?

DR. HAQ: I think you can improve the quality of education a great deal more by improving incentives to the teachers. I think any society who pays its teachers less than its domestic servants deserves the kind of education that it is getting. I do not believe that is the only solution — one of them is what the society pays its teachers. I will suggest that without scaring the general public about the users' charges which are going to be beyond the means of anybody we should project the issue this way what options they have because I am convinced that all the targets that we have here in the Sixth Plan are very ambitious. All these ambitious targets will not be achieved unless at least there is some small payment for the services which are being given.

AH: How about the social services for a common man?

DR. HAQ: So far as the common man is concerned, I think that the concern is very valid. One has to take into consideration what kind of employment opportunities are available and what kind of services are being provided. The Plan has to be seen as a package. It entails certain aspects, increasing employment opportunities, incomes of the ordinary people. One of the fundamental elements of the Plan is also to get an additional four million jobs, to increase the family income by Rs. 900 a year. And as such there is in the Plan itself the proposals and programmes for increasing production and services. Users charges are going to be a very small part of that. We give (the people) a dual society. Either they go to a public school and pay much or the other option is to go to private schools where the fees are anywhere from Rs. 200 to Rs. 500 a month. This is a dual society and at the higher level the same dualism prevails. Either they pay Rs. 15 a month in the universities here or they go abroad and pay \$500 to \$1000 a month. Same is true to hospitals as well, you have general wards and private clinics. I do believe that our public service facilities should be at a level which is adequate. Whether it is public

transport, water supply or any other service, otherwise after some time they will breakdown. We have seen the breakdown of services of water supply, electricity, sewerage and all other services because of the pressure of the population, because of the ability of any part of the population to pay for these services. So the idea is very clear and this is a very important point that the people should know about it. The idea is not to pass on the full cost of these services to the people. It will be impossible for them to bear it; socially it will be irresponsible because many of these services the society must subsidise. That is all this Plan has suggested. We have seen a caricature of it — that in the future nobody will be able to enter any school or hospital without having paid the full cost of expenditure and only the very rich will be able to enter. And I think that is a poor caricature.

FR: How about reducing the defence budget and using those funds for the provision of basic facilities?

DR. HAQ: Yes that is true that reduction in defence, administrative expenditure and economies anywhere will release a lot of resources. I cannot so much on defence because this is a matter of geopolitics and the kind of situation we are placed in it is a very heavy burden on economy and everybody at all levels recognises it I am even more concerned about the state of expenditure. I think there has been a lot of discussion on it in the Press and I have been looking at it very carefully now for the last one year as to what is going on towards administrative expenditure. In comparison to other countries, Pakistan's expenditure on its administration, as a proportion either of its budget or of GNP, is not very high. It is lower than many countries, and the reason is, which I have given earlier and I repeat, that we probably employ 3 times as many people as we need to do a job, that becomes a bottleneck and explains a lot about the bureaucratic inertia because things have to be cleared at so many channels and then we brilliantly improvise and pay them 1/3rd as much as they deserve so that they cannot perform efficient service. Overall, our total non-developmental budget is not very high in proportion to our national income. Our non-developmental budget in relation to development projects is also not very high. But it is high in terms of cost of inefficiency. We have that because we are not giving them the right kind of framework of incentives. This is the way this system has developed. Over the last ten years, the price index

has gone up four times. So that whatever adjustments may have taken place in the salaries of the government servants, the fact is that their real income has been greatly eroded by inflation that has taken place. We should have a slimmer and more efficient bureaucracy. But it may not be any less costly. Then the total expenditure that we have now. There are other ways that we can economise. I will not touch defence. For example, we can and shall consider in the 6th Plan having a national service after matriculation for one year as a literacy corp with students teaching 10 to 20 other students. This will be a compulsory service, to be regarded as a national crusade: very little salary but you unleash the creative energies of the students before they get on to their further education. This may be one way of implementing the ambitious targets that we have in the education sector. This may also answer the question that was asked earlier. We do not want to pay them very much, yet want to spread education and we don't want to raise the users charges. We may have to use the voluntary services — or compulsory services — of our students and similarly we may have to introduce a compulsory national health service for the rural areas. You can do it two ways: We can give very high salaries to these people to go to the rural areas because presently only 6% of the doctors are going there. Out of 18,000 doctors, less than about one thousand doctors are serving in the rural areas — 70 per cent of the population is covered by about one thousand doctors. We are introducing in the 6th Plan compulsory rural service, because we don't think that society has the means or the time to induce people to go to the rural areas by giving them very high salaries. And if we do this sort of thing, we do not have to charge the people very much to use these services since we will have economised on the cost of those services. What I would like to see very much frankly in the course of the next few months, is a debate on many of these options, because nothing in the Plan is sacrosanct in the sense of a final word or a policy proposal. They are a set of goals, a sense of direction, of priorities. But there are various routes through which we can reach them, including these compulsory services which may not cost very much.

FR: You can suggest anything except reducing the defence budget?

DR. HAQ: No you can suggest that. I am just indicating to you my own limitations.

AH: The thrust of the Plan is



towards the rural sector as an estimated amount of more than Rs. 40 billion in private and public sectors both would be spent in rural development. Knowing the limitations of the infrastructure, we have in this sector, how will it be possible for this sector to absorb such a big chunk of money so suddenly given to it. Specially in case where we have not been able to implement the special development plan of Rs. 800 million. The shortfall of this plan have been reported of more than 45 per cent. DR. HAQ: In a way all this is a classic pattern between urban and rural areas both in a political sense and in a sense of bureaucratic attention. The rural areas are so far from one sphere of experience, where poverty can very conveniently be concealed for a very long time. And this is not only the experience of Pakistan. I have seen other countries with a very bad balance of services between urban and rural areas but our experience is among the worst. If for 70 per cent of the population in the rural areas, you have a consumption of six per cent of the total electricity about six per cent doctors and in roads, water supply sewerage, the same kind of imbalances, then the question that you have to ask is two-fold: One is, what is the priority nationally that we are prepared to give. Second is, do they have the implementation capacity? The first question, we are trying to settle in the Plan — that they will enjoy priority. This is why while I have not been able to accommodate my target of electrifying every village in the 6th Plan period, we have to scale down some of our sights, we would like to take electricity to 86 per cent of the villages. There is going to be a major battle over this, but from the desirability point of view, one can hardly question it. These villages will still be consuming by the end of the Plan period, five years time, about ten per cent of the total electricity. There can be no argument on the basis of whether this is fair or just or in conformity with the overall notions of social justice. The question is can it be done? And I think three things are vital for that. One is that we make the financial allocations. Now for the first time they are being made, both in the 6th Plan and they will be made in the Annual Development Programme. Second we must get the Local Bodies involved. I am convinced that unless the instruments of implementation exist at local level, many of these things will not get done. Third, there must be participation of the local communities. Many of these communities are now prepared even to pay for these services. In many

villages of the Punjab they are paying one third of the cost of electrification which the cities never had to pay. After that kind of anxiety and that kind of demand for electricity, to deny them electricity would be cruel. Now what are our instruments of implementation? Ultimately, WAPDA spreads electricity to urban and rural areas. It is a matter of our deciding the national priorities and telling WAPDA as to what connections are to be given where. That is what we are doing. In other cases the implementation capacity is more limited. If they are delegated more to local bodies, there is no reason why given the financial resources they can not hire the same technical expertise that the others are hiring. I am convinced finance is normally the key to many of these programmes. You mentioned the special programme of Rs. 800 million in 1981-83 which in your generosity you called a failure. Let me tell you what has happened as a result of that. Only four programmes were included in them. They were: Primary education, health care, rural roads and water supply. The net results are till the end of April, — that primary schools have been increased six times compared to 1981-82. Our target was to increase them five times which seemed like an impossible task. These are mosque schools mostly. We have economised on the buildings. The enrollment is quite high particularly of girls, there is a 30 per cent enrollment on average of girl schools. The experience has worked out so well that in the 6th Plan period, we have about 43 thousand mosque schools. Not only have we done this through special programme but now commercial banks are coming forward with their resources to do it. So far as immunization programme is concerned of children, we wanted to step it up to five million. We have failed in that. By end of April three million children have been immunized. I would accept any time that kind of failure because it is still three times the acceleration compared to last year. At last year's level of one million children are born every year. This year we will be catching up and, Inshallah, next year we will go ahead with our additional increase every year. So far as training is concerned, one thousand dais were being trained every year. We had a special programme to step it up to eight thousand dais. Five thousand dais have been trained by the end of April. They have been provided the necessary skill and modern dai kits which the previous dais were not provided and these have been ultimately been provided from Sialkot. The same organisation

has been able to do primary schools six times, immunization three times, dai training five times, rural roads double the level and increase the water supply but not as substantial as we had planned. And that is very reassuring for the future — that these things can be done.

FR: Why was a cut made in the budget of the Women's Division. DR. HAQ: You are referring to the cuts made in the Annual Development Programme for this year? Of course, I shall talk about the ADP for 1983-84 more differently after the budget is announced on the 11th because until then these remain budgetary secrets.

AH: Will it be in conformity with what you have utilised in the Plan?

DR. HAQ: It will be totally in line with the 6th Plan priorities. Yes, the Women's Division budget is reduced. It is about five crores this year. I was having a detailed meeting with the Women's Division this morning. There are a number of programmes in which it is going to be involved besides the allocations that appear there. There is the adult literacy programme for which allocations have been made and we have already indicated a substantial amount will be done by the Women's Division particularly in association with Non-Governmental Organisations. They are having a very good programme on women literacy centres and I have indicated that at least one to two crores would be spent by the Women's Division for which a provision has been made separately in the ADP. Secondly, there is a major allocation in the ADP for technical training — about Rs. 25 crores. We were discussing this morning concrete ways of how much of this can be spent on training women either in female polytechniques — that Women's Division runs or in trade schools because so far less than five per cent of the total technical training has been spent on women by the Education Ministry or through Women's Division and our target is to try to raise it quickly to 20 to 25 per cent. I have asked the Women's Division to give me within programmes on how they can get a share of this Rs. 25 crore allocation for technical training. Similarly we have gone over each and every sector. There is a certain misunderstanding here which happily was cleared up this morning that what are the programmes for Women's Division and what are the programmes for women's development. Women's development programmes must come in each sector whether we have agricultural extension programmes or agricultural credit programmes, we have to watch out as



to how the concerns of women are reflected and to what extent. The second issue is the jurisdictional issue.

Both the 6th Five-Year Plan and ADP for this year have asked all sectors and all technical sections of the Commission to break down various programmes in respect of the benefits and the impact that they will have. As I have said exactly who administers is the question that can be considered in the light of what the bureaucratic realities in the government are.

SB: Some experts feel that if it had to be Dr. Mahbubul Haq's Plan, why did you not come to Pakistan two years before. The Plan seems to have been prepared in a hurry. Do you think it is internally consistent. The quality of Planning Commission had deteriorated. Different Working Groups did not have enough time to prepare their reports. For example, Income Distributing Group met only once. How will you ensure the implementation of the Plan.

DR. HAQ: It is true that any Plan is produced under pressure. So is this one. This is the real reason that I myself requested the National Economic Council to give the Planning Commission two more months to have consultations with various constituencies and I intend to use those two months to visit not only the newspaper offices but all possible constituencies. I have been hearing from them and I hear a lot of nasty words everyday about the consultation process. There were federations saying that I haven't had a discussion with them. I would like to sit down and have a discussion before the plan is launched. Similarly a number of other constituencies like farmers' associations, chambers and others. Secondly it is not true to suggest that the Working Group's reports have not been adequately reflected. The policy thrusts are reflected in this Plan. When the Plan is released, I shall release all the detailed chapters along with the Working Groups in their sectors, so that it offers a very rich menu for discussion to the nation for years to come, because a good deal of work has been done on it. And I hope it is more constructive discussion than has taken place in the context of some Working Groups' reports. Third, there has been some confusion about various estimates of the Plan. A very unfortunate impression has gone around that the Plan has been prepared without any awareness what the resource availability position is, it is a very ambitious Plan that it is unrealistic

and it cannot be implemented. I am very sensitive to that because I have certain philosophy about planning.

And one feature of that is alright: to be ambitious in one sense of direction in seeking various policy shifts. That is totally counter-productive to be ambitious in relation to the resources. One must have those allocations which can be exceeded overnight. This was my guiding principle in the Second Five-Year Plan to which I have the privilege to be associated and I can tell you one thing, I am confident that most of the financial targets of the Sixth Plan are going to be exceeded. The feeling has arisen because the Plan has been expressed in terms of prices not of the past but of the future: but in terms of base year prices in which various periods must be compared when there is inflation in the country. The Plan size is very modest. The total Plan size is 49 to 50 per cent higher than the Fifth Plan. And the Fifth Plan was 70 per cent higher in its implementation form not in allocation, but what was actually implemented in the Fifth Plan was 70 per cent higher in the previous five years. So a lower rate of acceleration has been assumed in the Sixth Plan than in the Fifth. This is good not only in the government sector but the Private Sector which when actually implemented was 80 per cent larger than the previous Five Year comparable prices. But between the Fifth and the Sixth Plans, the Public Sector is only 31 per cent larger. If you look at it what is involved in the 6th Plan by way of Public Sector is only three and a half per cent per annum increase in the ADP and five and a half per annum increase in total public sector including all public corporations. That is the extent of a mission that has been built into the financial targets. Yet the Plan is modest. It is not that the rhetoric is loud. It is basically within those resources which we are going to exceed. Within those resources we have tried to shift priorities in a very major fashion. There is a reduction as a whole in the government industry because the steel mill will be completed and there are more major public sector industries now. So in the Public Sector, the industry share goes down from 15 per cent in the Fifth Plan to about one per cent in the 6th Plan. That releases the resources for other sectors. Similarly, there is a termination of fertilizer subsidy in 1975. You may ask me why, I can answer you later whether it is going to kill the farmers and I shall

say no. That there was a very major provision in the Fifth Plan and let me give you an idea what per cent of resources that releases. That is about another six or seven per cent of the total development budget. So by making certain shifts we have created room for accommodating more energy in the industry and more for the social sector. So the confusion on the size of the Plan has been created by this question as to which prices should be shown. The reason we have showed it in the future prices (current prices) was because this is the way they are shown in plans all over the world except our plan in which the base year prices are shown. Because development projects are implemented not in the base year prices but in current prices. Because every development project should be drawn up whether the Chashma Nuclear Project, budget of Kala-bagh Project or any university, they are going to be completed over a five year period. They must anticipate the increase in the cost. Unless they are built in, what happens is that the project is stopped. They come back again for re-approval.

That is what happened to Hub Dam, Khanpur Dam. Twenty years it took us for small dams. They are not earth-shaking projects. We have completed Tarbela in a shorter period. The reason is each time they were coming back with a revised cost and at times the interest rate that was accruing on these project was as much as the allocation were given so they could hardly undertake any physical work. Last year when I came and reviewed the situation and decided that let us give them whatever they take to complete in the final year and we have done it in case of Hub Dam and a lot of other projects which were lingering on for a long time. We are doing the same thing to some of our university campuses. Punjab University Campus is going on for the last ten years so is the case of Open University. We have taken up these projects in the current Annual Development Programme. For example the focus is on completing four or five campus buildings within one or two years. That does mean having priorities. Delays are serious and you spread miseries over all these projects. So those things have been done and the necessary part of this was that the future projects must be in terms of the future prices. So that they don't have to be re-approved each time. That unfortunately led to the confusion on the size of the plan effort. You have asked the question about consistency. The plan has been checked up by a consistency

committee that has been set up by me. But I am convinced that there are certain things they are not consistent and we are not going to put out any document that has not been checked up thoroughly professionally. You have also asked whether it is my plan and why did I take so long in returning it. It is not my Plan. I am proud that it is a Plan in which so many people have participated. I have stopped certain preconceptions of what the Plan should look like. I did not hide the ideas from the nation. But there is not a single idea that did not come through the way that we did not review and did not try to accommodate. So it will be very unfair to identify the Plan with any person.

S.B: How about the quality of planning in the Planning Commission?

Dr. HAQ: Now the quality of Planning Commission organisation is not what it used to be and not what is necessary. Professionally we need a lot more competent organisation. I think under pressure the Planning Commission staff has given forth the best. I am proud of the professional product that has emerged is a result of this. I have for the last two weeks a discussion on this with the number of professionals with in the country and outside and it pleases me when they say that from professional point of view it is the finest document that has been prepared and that has been prepared by the people who have stretched their capacities to their limit.

The next thing that I am focusing my attention on is to restructure the Planning Commission itself. Because if we don't succeed in doing that, I don't think if we are going to succeed in restructuring our economic programmes of our nation. We have to take a chance on our younger generation and on those who are coming out of our own universities. We have to give them training, we have to groom them, we have to show confidence in them, I remember in the 60s after all I was in my 20s and I was given a tremendous amount of opportunity. I think we have to bring out an indigenous team from within.

But a young team at that. I am often accused that I call in people from outside and from my friends from the World Bank who are Pakistanis but had been in the World Bank. I think that is unfair. Because we should use people whenever we can from within and outside. Since last year, I have opened up the recruitment drive. We are now recruiting

people, youngsters from universities. Many of them have been enthused to come down because they feel that they can take on positions of responsibilities. We are not going to frustrate them by giving them to job of a research officer from which they may never emerge. Because ultimately we can build up the Planning Commission by trusting our own people and I think it is a very major job. But I hope, if I achieve nothing else, I can leave behind a Commission which will be the main stay of thinking in the country and will be a real thinking forum for the next two decades. Because that kind of institution-building is any real aim.

A.H: The amount allocated for agriculture in the private sector is considered to be exaggerated as during the pre-planned period of 1970-78 only Rs. 8 billion was invested in agriculture. In the Fifth Plan period this amount went up to nearly Rs. 14 billion, registering an increase of only Rs. 6 billion. However, in the Sixth Plan the total allocation for this sector has been shown as Rs. 45 billion. How this heavily increased amount is to be absorbed or managed.

DR. HAQ: As you can see the nature of the programme in agriculture here, the comparison is between different prices. In real terms, it will be double the investment. Now how are we going to get it. The new feature of investment in agriculture is:- a) A lot of it is coming in to farm mechanisation particularly, tractors. We have had so far only large tractors of 45 HP and above. Now we have opened up a policy for small tractors between 20 to 30 HP and we shall be manufacturing them within the country also whereas the demand for large tractors is limited to 25,000 a year. Our expectation is that the demand for small tractors will be as much as one hundred thousand a year. The demand for small tractor is enormous. People are bringing back some of their money, the remittances are coming. One of the things that we are looking for is land and a tractor. Also because there had been an exodus of labour. Even small farms, they have to be mechanised by only small tractors. We are importing small Japanese tractors. We have been given 10 million dollars grant last year, 15 million dollars this year. In addition we are getting them from China and from some other countries. From next year, we have proposals which are drawn right now to manufacture small tractors right here. The five tractor units which have been set up will manufacture small as well

as large tractors. This is only a question of range and after the steel mill is commissioned, there is no problem of going into the production of small tractor by ourselves. It is not a complicated technology. We are also offering to take up negotiations with Japanese and we are interested in other investors. They can come up and settle on the basis of indigenous manufacture and exchange of technology. And sharing in equity. The second major investment in the private sector agriculture is the credit programme which is getting expanded and the long-term loans that are being given. We already have our Agriculture Development Bank this year 100 million dollars have been negotiated which is the largest ever to both cover the foreign exchange as well as rupee cost of investment. Out of that as I have indicated earlier 18 per cent was going to the small farmers. We are trying to channel about 40 to 45 per cent to the small farmers. Then thirdly, in agriculture, a development that we are not certain about. We will like to provide for it in agro-industries as food, vegetables, meat and poultry. Their production is increased as we bring some support prices for them already in the policy framework. It becomes more conducive as we improve marketing facilities for them. As we bring cold storages for them, there is a good deal of small agro-industry coming up in villages, specially after they are getting electricity. And this is counted as modern agriculture investment. Let me finally add that realism of investment in private sector has to be judged very differently. Private sector investment targets are not obligatory. All that is obligatory is that the necessary policy framework should be created within which the private sector will find it attractive to invest their money. It is very different from public sector investment targets. That is where taxes are to be raised, that is where targets are sanctioned, that is where the incomplete projects might be lying around with not sufficient money and if we have miscalculated on resources. This will be a very difficult situation in public sector. In private sector if people do not find that either our targets are realistic or incentives are sufficient or they have enough savings, they will not be undertaking that investment. But there are no wasted resources as such as they emerged in the public sector.

M.H: Will you draw a line between the public and private sector? It seems that since you have taken over the Planning Com-

discussion, the government seems to be enamoured with the private sector. Here the roads are being given to the private sector, airlines and telephone are being given to the private sector. Can you delineate a thin red line between the two?

DR. HAQ: Let me try to put again this public, private sector debate in some perspective. First there is a certain degree of romanticism I find in this country about the role of public sector. It is often assumed that extension of public sector is probably an extension of public concern and public good. It may often turn out to be an extension of inefficiency and corruption. Some ideas one has to go around to practice. Secondly there is this feeling that if private sector is brought in to the building of infrastructure like roads, hospitals and airport terminals, telephones, airlines that this is going to lead either to major exploitation or to costing all these things by the yardstick of the market. That is not the intention of the 6th Plan and certainly not my philosophy. I believe that it is necessary for people to get the services and they don't bother about it whether the road has been built by private or public sector. The choice of most people is whether the road is there or not. By bringing in private sector into these, we are not substituting the private sector. Take for example this dual carriage way between Karachi and Peshawar. This is going to cost on present estimates something like 800 crores and it may well turn out to be even larger—10 billion at the time when all cost estimates are made. I am certain of one thing, if it has to be done by the public sector alone. It will never get done. Because we will never have that kind of resources. So it will get shifted from one plan to another. Or if it starts on a certain part of a project it will take us at least next 30 years to complete it. Even the RCD Highway took us 15 years. It is a one-lane, almost dirt road. So because there are too many pressures on the public sector resources, the public sector will not like to raise that much money out of taxes. So what is next suggested is that the public sector put in something like two billion rupees. This is what we can afford in the 6th Plan. Let us get the private sector to compete and submit bids which they have and I can tell you that we have got some 10 outstanding bids. Let them indicate the cost estimates. This will be not a road owned by the private sector or regulated by the private sector or on which the toll will be determined by the private sector. This will be a road

owned by the government, tolls to be set by the government and what the private sector will be putting in as an investment will be treated as a loan which will be repaid after ten years period in easy instalments. And all that we have done is extended thereby the national option that we do not have done is extended thereby the national option that we do not have the resources today and if we borrow it from abroad in foreign exchange and paying a high rate of interest on that, why should not we bring in the private sector and their money and their enterprise and after ten years we pay them this with whatever rate of return probably ten to 15 per cent a year that is being negotiated.

The National Highway Board put these bids in last November, since then 10 outstanding bids have come within the premises that I have just explained. It is a question of financing through private sector and it is not a question of giving the roads to private sector. It is a question of borrowing from the private sector and repaying them after ten years when the nation will have enough resources to repay—so but not denying this generation the roads that they should have. And that is what we are doing in other spheres as well. So it is extending the public sector programmes by getting private sector financing not private sector control. This is a very important distinction. And as I said this does not mean that the public sector will opt out of roads. We have a huge road programme in the 6th Plan. We have in addition about

seven billion rupees of roads in the public sector investment. So it is not that the public sector is going to abandon road building in the 6th Plan. It will have to do more than it did in the 5th Plan. But in addition it will get private financing. I believe that what we need to do in this country is to bend the private sector to social welfare.

They have a lot of funds and a great deal goes to very unseavours channels. I don't think that is a crime to channel or redirect some of that money into national requirement.

J.N.: The confusion has been here that we have to be paying more when we are already paying and through those funds that we are paying roads have been financed. The fallacy being that we were having no roads and we believed that we are having roads. When this is being done that means we never will have roads and if you have roads, you are going to pay.

DR. HAQ: You see this is the state of affairs with the carriageway. Yes there will be more

payment for this. It is being worked out and now the decision will be taken except with the national open debate which I believe in and all the more now we are talking about this. I shall not say anything because the bids are secret matters. The secrecy is ensured till the time that they work out which is the best bid. The bids are being evaluated and that is a confidential matter. After this there will be a national debate on this. The tolls that are being worked out on this road are being worked out on the principle that we have given them through the National Highway Board which is that they should be less than half of the saving that is made on each truck and each vehicle. In terms of the depreciation, the time saved, the petrol saved on this more efficient road is being calculated by a team of experts and as such the toll should be half of that. That means that even after paying the tolls, people will complain about it because nobody looks with the same insight that they will save the money because not it will be possible to move faster on these roads. So there is no other way of having this carriageway. The option we have is we don't have to enter the dual carriageway as in many countries, you either take other road or take an ordinary road if you have more time on your hands, without caring the depreciation of your truck or car or saving in term of petrol.

A.H.: But this means a toll of Rs. 800 per truck travelling from Karachi to Peshawar.

DR. HAQ: But I frankly have no idea at the moment as how it will come up in the calculations that are being worked out. I have not received the final presentation on what the estimates are.

U.N.: Actually you have got a yardstick in this particular aspect because in 1976 you had a calculation made and certain work was done. So if that is the yardstick, you can see what the differences this bid will make. As far as I remember that was about Rs. 80 laks per mile.

DR. HAQ: You mean in terms of tolls or in terms of cost.

U.N.: In terms of cost.

DR. HAQ: I think the cost is being worked out on the basis of bids.

A.B.: You are also thinking of bringing in some more multinational corporations inviting them to make financial investments. As you are aware Multi-national Corporations do not enjoy a good reputation in Third World countries where they are considered the be a kind of economic Trojan Horse. You are also aware of their invol-



vement in countries like Chile. You have also said that you would like to see Pakistan as an "agricultural South Korea." There are number of common factors to the Chilean and Korean models such as depoliticisation of the state, an autocratic state apparatus, massive infusion of foreign financial aid. How do you see this model being applied to Pakistan?

DR. HAQ: I have been against the foreign Multi-national Corporations and more consistently for the last ten years. I have also written about the Chilean experience and not only how tragic it was, but what lessons it left for the developing countries. We are aware of all these dangers. I can assure one thing that is certainly not the pattern that will ever be welcomed in this country. At the same time, we as a nation have to be self-confident to take this enterprise on our own terms from where ever we can. If we can not, we will let it go. We are entering in agriculture at a more difficult stage. When we go into bulk commodities like wheat, most of the bulk commodities export is being controlled by grain merchants. It is almost impossible to break in at this moment. When you are entering the vegetables, poultry, the marketing and quality control aspect becomes very important. We can only invoke the mutual interest of some of these foreign investors. There is a nearby market in the Middle East which is better served with some of the surpluses which are merging here. This is profitable for them and for the Pakistanis. But any distribution of these profits, which is not at least 80 per cent in favour of the country, I will reject it outrightly. We talk about foreign multi-national corporations, I have studied the experience in Latin America and in Africa because they have their respective industries in minerals and those led them to these kind of exploitations. There was certainly a rape of these countries. I know a lot more because in the World Bank, we have an excess to information that is otherwise confidential. A country which was getting less than five per cent of exploitation of its own iron ore deposits, the richest deposits are being sold at a price and mind you that it was not all the fault of the multi-national corporations. Because if we have enter that project, we will try to alter these terms. The resistance came from the policy-makers within the country who are in league with the multi-national corporations and getting a major pay off. These are the facts of life. Now the only protection we are going to have is that we are going to be with it

on case by case on a very pragmatic term. Just as recently some investors came from the United States and out of 22 propositions which were cleared with them, nearly half of them were from food, vegetables, poultry and livestock. But we are in association with our private investors and on terms which are nothing to do with the experience of Chile or Argentina. So I think all that I would advise is that we should be very careful. But should not in the process become ---- that we reject all offers of good investment and exchange of technology because no country ---- Japan now offers technology -- borrowed technology and even now there is a tremendous amount of foreign investment in Japan. So somehow isolating ourselves from these modern impulses, we are going to get in very stagnant water. That is all the plea that I make that let us open the doors because we are opening the doors on our exports. We have been a very inward looking economy. In agriculture self-sufficiency had been the maximum target that we had fixed. Now we are having a problem of surpluses and we want to do away with it.

Economy which manages its deficits rather brilliantly at times is totally stuck when it comes to the question of managing surpluses and we have got to get prepared for that stage where we have to have a change in policy framework here as well as we have to have dialogue with the foreign investors abroad. I don't say that next an avalanche of foreign investors will come in. You will be surprised how limited interest there is on the part of many of them because they know here they will work within a framework of social concern.

They also know that the Press here is (thank God) extremely active watchdog in these matters. Whatever happens, it is not a kind of docile Press or a captive Press on these matters that I have seen in many other countries where they are in the pay of same multi-national corporations. So we are talking about different environments. It is a large country.

We must have enough confidence to look on these propositions in different manner. What distresses me the most is that the people attack each others motives without looking at the basic realities of the propositions.

A.B: That is okay but you see the track-record is not very enviable. The experience is that

there is seldom any transfer of technology at all which is a fundamental for a new world economic order.

DR. HAQ: No I think best of the expose is written by Suzan George on these great merchants and I had a great pleasure in going through that. We were associated in North-South food round-table and I included her in that group against the advice of all international establishments who get scared of Suzan George. I think she contributed more insights on the food round table than many others and ultimately she won many points in that. But she also had the great maturity and skill to come to some pragmatic solution that I am given here that there are cases of very good collaboration on a very pragmatic basis case by case.

M.H.: Dr. Sahib I just want to make a mention of an article that the Muslim has carried by one of your predecessors Dr. Mubasshir Hasan in which he has raised certain question and where he says certain understandings which are as yet secret to Pakistan were opened to other countries which are members of the World Bank and several concessions, one-sided of course, were made to other countries. What are your comments on that?

DR. HAQ: Let me say first that I have a tremendous respect for Dr. Mubasshir despite our differences on many substantial issues from time to time. And one of the things that I look forward during the next two months is a discussion with him and Group of 83 and many other forums on these issues. I saw the article of Dr. Mubasshir where he raises these issues. I think so far as the question of releasing information on various foreign loans is concerned, our all projects loans are a matter of record and there is no problem to it. Even otherwise, I have been quite willing to release the information to the Press that we discussed with the Consortium including the speech that I made to the Consortium which is always regarded as an extremely secret thing.

Now first I am talking of the project side. On project side whatever conditions are imposed and what the terms are of that loan all this can be made the part of the published statement. Now there are other issues regarding IMF negotiations and regarding extended fund facility and the structural adjustment loan also. The extended loan facility is not given on the basis of the project but on the basis of a policy under-

standing. The mutual understanding between IMF and the governments not only here but all over is that it will be regarded as a confidential discussion. Because there are discussions that the governments would not like to reveal only after some time since they contain very sensitive matters. Now you may ask whether they put pressure on various policy matters. Since I have worked for both the sides, I know what kind of pressures come. It is true that in an extended fund facility as well as in structure adjustment loans we may indicate to the World Bank or the IMF of geo-policy versions. We may indicate to them that over the time we may adjust to them on subsidy on fertilizers. In fact we provide them the schedule for it. This includes the agreement. Whatever we may say, however, we may protest to the government, it always emerged that we were made to do these things sticking and screaming and this is IMF description and World Bank description for good policy mentions. I will not pretend that there is not a great deal of give and take in these negotiations as there is in any negotiation. But I think and I say it with a certain amount of pride because I saw it that Pakistan government has a reputation of being the most difficult and toughest negotiator mainly because of the personality of our Finance Minister. Any colleague negotiating with him on different system, will testify to that. I don't think he will be willing or accept anything on which he has not made up his mind already and on which he has not conceded that it is in the national interest. On several occasions, in such discussion I was there and I can testify to that. As such when the extended facility was being discussed with the IMF people in Washington, they were so disheartened that they could not get many things done that they wanted to and ultimately had to accept what was outlined to them. Let me say that there are many issues on which the outside institutions have to take an unnecessary risk and they will have to do this because this is the function that they have to perform. Things can be blamed on them also. We may have made up our minds to adjust various prices like gas price because leading to such distortions or leading to a situation where the gas resources are disappearing fast and they will be gone in 20 years. Or leading to a situation where we have no capital formations for further gas development and exploration since we were selling them some two years ago at 10 per cent of the oil price. Now the government has made up its

mind that such kind of a situation must be corrected. There may be differences on the schedule according which it will be done within the government and in negotiations outside. But I am quite certain that their pressure will persist in this country that they force a change in gas prices which are unnecessary and undesirable and I think we should look at the substance of the change and not the form of the change. I have been very concerned that we have been blundering the only major natural resource in this country which is the gas resource. What did we do with it? At one time we estimated that it would last us some 200 years. It was correct at that time. The reason it went fast was that the oil prices went in 1973 so high from two dollars to 34 dollars. We ought to have adjusted the gas prices. Now what happened who gained as a result of this. We gave gas to all major industrial units. They become profitable units just because they were paying much less as compared to what they were paying for oil. Their profits did not go up because these units were efficient but because they were using gas which their other competitors did not have. And what did you do to regions. The region that was lucky enough to get the gas its development certainly started but how about the region which did not get gas for example Quetta till last year. This was so because they were put to a disadvantage vis a viz others because they had to use furnace oil. When we started adjusting it I would have gone for faster adjustment. You see in negotiations with the IMF, they tell us how to ensure faster adjustment, and they tell us what the elements of good economic management are. I think we should feel ashamed if we cannot do it ourselves. That is the way I come out on this. I think also that there are people here who have had enough standing inside and outside the country who can stand up to external pressures. I have also seen governments which become party to outside pressures as in case they become party to foreign multi-national corporations. Now it is again not a kind of a situation that we are talking about in Pakistan however charitable we might be. It will be totally dishonest on my part to deny that there are no pressures on our government, which is the job of the IMF and the World Bank. It is our job to see that those policy changes are made which are in our interest. Here the Press has every right to analyse the issues.

In 1960s there was not such a different in the prices of gas and oil.

The energy crisis came in November 1973 and in 1974 with the prices of oil going up first from \$2 to \$14 and later on in 1979 to \$34. That was the time for us to adjust gas prices so that the consumption does not proceed in that wasteful manner or by diverting industries to other energy resources. Look at the situation that we are confronting today. There is almost an emergency that less than 20 years' reserves are left here. That does not mean that we cannot extend these reserves. We can develop more gas fields, explore more gas but at these prices that we had we could not have any money left for exploration and development. What are we going to do for that to tax the people further in order to explore gas and supply that to some industrialist who can make profits of that.

JN: We have been spending a lot of money for 200 barrels each from a well and spending about 10 to 15 crore per well. I do not think if it is still going on to be on a well that has proven to be a wrong field. With this amount of money as you have suggested hundred wells per year, we have to wait for hundred years to find them.

HAQ!: You are right. I think we are spending a great deal of money but we are not getting the return in terms of major oil discoveries or oil production. But this is a sphere in which either one has large investments and a large pay off or one has a small investment and no pay. Our rate of exploration has been about 5 to 10 wells in a year at the most. We seldom reached even 10 we generally have been 3 to 5 a year. The success ratio in Middle East is 1 to 10 where there are major oil reserves. So that if we are going to have only 3 to 5 wells a year it will be no surprise if we have to wait for years before we have a well. Any country which has the worthwhile resources of oil and gas has had a minimum level of 100 wells a year. That is a costly proposition. It costs about 5 million dollars a well. This is risk capital you could lose all the capital. On the other hand one potential well can pay off all the investment. This is rare while it is a gamble; we have either to invest big to get big dividend. We have been meagerly investing and getting a low pay off. The strategy that we have in the Sixth Plan is to go on to about 50 wells a year. Both with our own resources as well as by getting in some private investment. That is not probably adequate but at least it gets into the strategy

of finding out for sure our extensive oil reserves. I have talked to one of the best persons in Houston, who is a Pakistani, who is doing most of the geological survey for most of the established firms in Texas. He says that Pakistan has best geological formation for oil discoveries. He further says that with this ratio of 3 to 5 wells a year you will be lucky if in 100 years you find a right site for oil discovery. Now we are going to 50 wells a year.

SB: I want to ask you in addition to my colleagues' questions that I find an inconsistency in the strategies of the Plan. On one hand you talked of major investments by the multi-national corporations while on the other you suggest an indigenous light engineering sector. How do you elaborate?

HAQ: I do not think there is a much conflict between the interests of the multi-nationals and the light engineering. By light engineering I assume you mean tractors, agricultural machinery, industrial machinery, like sugar plants, textile plants and other engineering goods that would be manufactured. These are the fields in which investments are needed very heavily say capital investment. And also they are based on technology. In fact technology is more of a key in these industries. Frankly I would like to get foreign multi-nationals to our engineering goods without parting of their capital but only getting the technology. I would have done. But there is no way of doing it, because our private sector can invest in it, our overseas Pakistanis can do it.

AH: Will you be able to finalise

the Plan by first of July?

HAQ: The Plan is to be finalised by the end of July. Normally we should have finalised it by the end of June so that by first of July it is launched. There has been some criticism in the Press and some implications also that this is not being done and there is going to be a very major reshuffle in the Sixth Plan objectives, priorities, strategies and size. While we are going to remove all of it as I have already said that we are totally open on all these issues, I do not accept any major change in the fundamental objective or goals of the 6th Plan. There may be a change if some parallel ideas emerge. Similarly there will be a review of the size of the Plan because some of the sectors we have not been able to accommodate. But again it is our anxiety on part of the Planning Commission and not for major clashes which are going on within the government. I would have ideally liked this draft plan to be ready by the end of March so that I would have a period of three months' discussions on all forums and a national debate on this. When we are going to launch this plan for five years, I think it will be unfair that we do not even take two months for a discussion on a draft plan. The current time table is that by the end of July this will be complete but frankly, if it is necessary, and if there are certain aspects on which the national attention focuses and we are going to take a little longer to complete this and I have no inhibition about it irrespective of what speculations come about it in the country.



PUNJAB BUDGET: INCREASE IN AGRICULTURAL PRODUCTIVITY EMPHASIZED

Islamabad THE MUSLIM in English 22 Jun 83 p 4

[Text]

WHEN the federal budget dominates the fiscal scene in Pakistan the provincial budgets have to become shadow plays. The ritual is gone through in all the four provinces year after year but the usual budget drama which is fears and expectations is not there. And with the bulk of the national revenues going to the federal government and the provinces, including the biggest are depending on Islamabad for their share of the divisible pool of taxes centrally collected, for grants and loans and finally for the Centre to take care of the ultimate deficit as well, provincial finance ministers look more like fiscal midwives than real policy makers at their own level.

And yet the Punjab Finance Minister Nawaz Sharif has been able to show growth all around. Revenue estimates next year at Rs. 592.9 crore will be a distinct improvement from the current year's Rs. 816 crore. But the expenditure, too, is expected to rise to Rs. 1,026 crore from the current year's Rs. 880.6 crore -- a big leap of Rs. 146 crore. The deficit is as large as Rs. 79 crore which is to be reduced by the 7.5 per cent cut in government expenditure, leaving aside a net deficit of Rs. 17 crore which the federal government will finance, as in all other provinces.

But this deficit does not take into account the increases in the salaries and allowances of the Punjab government employees which are to come into effect from July 1. Although the exact amount of this liability is not established, and the extent of the federal government's acceptance of the National Pay Commission's recommendations are not known yet additional expenditure of the Punjab government is bound to be very large in view of its very large staff.

The Annual Development Plan of Rs. 422 crore is substantial but that too is to undergo a cut and be reduced to Rs. 362 crore. The cut of Rs. 60 crore is a large one and is nearly 15 per cent of the overall outlay proposed. But expanding the outlay and then subjecting it to an across the board cut appears part of our developmental pattern.

The ADP follows the conventional pattern of consolidating the development that has taken place and giving special attention to the least developed areas. If such neglected and poor areas have to be brought at par with the rest of the province, the rural areas deserve the attention that is proposed to be given by the budget. But when the debt servicing burden has risen to Rs. 201 crore - Rs. 35 crore more than in the current year - the most judicious and economic use has to be made of the development funds. Otherwise while the debt burden mounts, the benefit to the people can be too small and the ability of the province to repay the loans will dwindle fast.

Welcome, indeed, is the increase in the allocation for education by 18.57 per cent, which has raised the outlay to Rs. 250 crore. The emphasis clearly is on primary and middle level education, and not on higher education where quality is to replace sheer quantity but we do hope this process will be assiduously promoted instead of the students losing at both ends. The health sector is the gainer by having an allocation of Rs. 77 crore instead of Rs. 56 crore in the current year.

And of course, agriculture has to be centre piece in Punjab's economy, and increasing the allocation by 23 per cent to raise the total to Rs. 162.74 crore is the right step. But even more striking is the emphasis on increasing agricultural productivity which we hope really achieves results. The salvation of Pakistan's economy lies that way, and not merely in increasing the acreage under farming, wasting a great deal of water and aggravating the water logging and salinity in the province and the country. Let there be concentrated and sustained efforts to increase the agricultural productivity and obtain higher yields all around.

As at the Centre, the allocation for law and order has been increased in the Punjab as well. We do hope this produces some results, and police and the law and order machinery as a whole become more efficient, honest and conscientious. But conscious and continuous efforts have to be made in that direction.

The people certainly cannot pay higher taxes all round collectively to have a large police force and then pay individually to each of them to be beyond their clutches, while the criminals and desperadoes feel free to do just they please with the approval or indifference of the police.

# PUNJAB'S ANNUAL PLAN STRESSES FARMING, RURAL HEALTH

Lahore THE PAKISTAN TIMES in English 19 Jun 83 pp 1, 6

[Text] Sectors of Agriculture Physical Planning and Housing, Education and Training and Health receive priority in the Annual Development Programme (ADP) 1983-84 of the Punjab Government.

The sector-wise breakdown of the ADP indicated a combined allocation of Rs.315.31 crore for the four sectors. It is more than 74 per cent of the gross size of Rs 422 crore of the Programme Other major allocations set apart for the sectors of Water and Power Transport and Communications and Rural Development, stand at Rs 39 50 crore Rs 27 20 crore and Rs. 22.00 crore respectively.

As usual the top priority has been given to Agriculture sector for which Rs 123.24 crore have been allocated in the ADP. It is Rs. 14.04 crore [one word illegible] than the revised ADP budget for 1982-83. Next to Agriculture the major allocation (Rs. 94.29 crore) goes to Physical Planning and Housing It is Rs 10 63 crore more than the allocation in the revised ADP budget for 1982-83 Allocation of Rs 48 89 crore each has been earmarked for Health and Education and Training. It is Rs 6 52 crore and Rs 7 37 crore more than the allocations made for these two sectors in the previous ADP budget. Allocations for Rural Development Water and Power Transport and Communications and Information Culture and Tourism as compared to revised ADP budget for 1982-83 have been reduced.

The main focus of the ADP (as during the fifth year plan continues to be farm to market roads electrification of tubewells, development and conservation of water resources, provision of improved seeds of major crops and intensive development of selected areas in the Agriculture sector.

In the sector of Urban Development a sum of Rs 32 92 crore is proposed to be spent during 1983-84 through the programmes of Development Authorities in Lahore

Multan and Faisalabad, the three major cities of the province. As before, major part of this allocation would go to water supply sewerage and drainage projects The programme will provide safe water supply for an additional population of 2 75 lakh sewerage facilities for 3.1 lakh persons and surface drainage for another 2 87 persons

The emphasis in the Education sector, is once again on primary and secondary education which together account

for Rs. 26.79 crore. It is more than 54 per cent of the total amount earmarked for education. As a result of growing emphasis on primary education in the earlier years it is proposed to expand facilities at the secondary level to catch the flow from the primary schools. A special programme for the development of primary education was launched during 1982-83. Under this programme 4,000 mosques schools from class I to class III were started. The scheme will continue. During 1983-84 it is proposed to open 1,582 mosque schools, upgrade 34 primary schools and similarly raise the level of 208 middle schools to high schools.

The allocation for Technical Education has been raised from Rs. 3.50 crores in 1982-83 to Rs. 7.92 crore in 1983-84 thereby giving it an acceleration of 126 per cent.

In pursuance of Education policy relating to the handicapped and disabled children, a sum of Rs. 67.30 lakh has been earmarked in the ADP. A full-fledged Directorate has meanwhile been established for this purpose. With this allocation, there is a plan to open a school for blind girls at Lahore, an institute for

mentally-retarded children, upgrade one middle school for the deaf to high level and one high school to higher secondary level.

The programme for rural health forms a large part of the outlay for health. Under the programme Rs. 11.26 crore and Rs. 2.66 crore would be spent for the construction of Basic Health Units and Rural Health Centres respectively. This amount together constitutes more than 28 per cent of the total allocation for the health sector. Besides teaching hospitals will receive an allocation of Rs. 8.24 crore in the ADP. Medical education has been similarly provided with Rs. 6.95 crore. A large part of this amount is meant for Allama Iqbal Medical College, Lahore; Medical College, Rawalpindi and the Punjab Medical College, Faisalabad. The Paediatric Ward in Mayo Hospital, Lahore with 110 beds will be completed during 1983-84. The Cardiac Centre at Lahore is also at design and planning stage and it is hoped the work will start on this project during 1983-84. A sum of Rs. 10 lakh has been earmarked in the ADP for this purpose.

## PROPOSED BANS ON STUDENT POLITICS DISCUSSED

Islamabad THE MUSLIM in English 19 Jun 83 p 3

[Article by Anwar Iqbal: "Will Student Politics Be Banned?"]

[Text] WILL students politics be banned? This is the question that seems to be bothering leaders of both the factions of the students union at the Quaid-e-Azam University after recent clashes in which a number of students were injured and many arrested. The police also recovered fire-arms from them and it is learnt that raids will be carried to make more recoveries and arrests.

The fear and apprehension expressed by them represent the general feeling among the students throughout the country who believe that the government is going to retaliate strongly after the recent clashes at the Punjab and Quaid-e-Azam Universities and certain other places.

Islami Jamiat-e-Tulaba, so far the strongest students group in universities and colleges in the Punjab and urban Sind, claims that over the last two decades it has established itself as the true representative organisation of the students' community in the country.

They say that there are people who are afraid of their strength and finding no other way to weaken Jamiat have now come out with the idea of putting a ban on students' politics.

"And with their blessings their agents in the universities have triggered a new wave of violence to provide them with an excuse for executing their plan. But Jamiat will resist all such efforts and give a strong fight to maintain the status which it has achieved after such a long struggle", they further said.

On the other hand their rivals, QSF at the Quaid-e-Azam University, for instance, say that it is the Jamiat which has started violence. "They 'used to be strong', their rivals say, 'but their glory has now become a part of history'. They have been defeated every where including the Quaid-e-Azam University. That's why they have now resorted to violence. They want the government to put a ban on students' politics so that they could save their face.

The rumours that the government was thinking to ban students' politics and dissolve students unions were first heard when the new education policy was being made. The ban on students' politics in NWFP, after clashes at Khyber Medical College, Peshawar, in which one student was killed and many injured, again revived the issue. It gained momentum when the Provincial Council of the Punjab recommended a ban on students' politics and then on June 13, a 19-member committee comprising Vice-Chancellors of all the universities of the country also endorsed this recommendation to ban union activities in the educational institutions. The committee also recommended some alternatives for the extra-curricular activities.

In two out of the four provinces - Baluchistan and NWFP - there are no student unions. In Frontier as already mentioned, student unions were banned after clashes at the Khyber Medical College. In Baluchistan there have

been no elections in any of the educational institutions for years. Same is the case with interior Sind. There is no union at the Sind University, Jamshoro, or in Tando Jam or Nawab Shah. In the Punjab elections have not been held at the Agricultural University, Faisalabad for the last two years after the murder of a student there.

There are three Federal Universities in the country - Quaid-e-Azam University, Allama Iqbal Open University and the Islamic University. All these three universities are in Islamabad and only one of them, Quaid-e-Azam University, has a student union. Islamic University is too small to have a union while there are no regular students at the Open University as they impart distance education.

During the last three years as many as 12 students have been killed in clashes between the rival groups in the educational institutions of the country. During 1981-82 four students were killed in Karachi University alone, one in the Engineering University, Lahore, one in Pindi Polytechnic, one in the Sind University, Hyderabad, one in the Khyber Medical College, Peshawar, one in F.C. College, Lahore, and one in the Punjab University.

All these killings can provide the government grounds to ban students' politics. The students, however, believe that a ban on their unions or politics will not be different from bans on national politics. Different students organi-

sations will continue to work even after the ban like the defunct political parties. This view was expressed by Amir Abdullah Chishti, leader of the QSF and V.P. of the Q.U. Students Union.

Similarly, a Jamiat leader said that such measures have been taken in the past also but have failed to eradicate politics from the educational institutions. The problem, he said, is not as easy as it looks from outside the campus. It involves more than the union elections. Mohanmad Rashid, a leader of the Jamiat-e-Iulaba-e-Islam, another student organisation which is said to have links with Maulana Noorani's JUP in national politics, thinks that the violence on the campus is indicative of a polarisation in the society itself, only it is more obvious in the campus.

Sheikh Imtiaz, V.C. of the Quaid-e-Azam University, does not disagree with the students but he maintains that it is not the way to solve the differences between them. Violence does not suit a university scholar. They must use logic and reason in solving their differences, he said but agreed that tolerance was vanishing from 'our ranks'.

CSO: 4600/709



# MORE TECHNICAL INSTITUTES PLANNED FOR PUNJAB

Lahore THE PAKISTAN TIMES in English 18 Jun 83 p 3

[Text]

The number of technical training institutes will be raised from seven to 15 in Punjab during the next five-year plan in addition to a model training centre for ladies to be set up at Lahore

This was stated by Mr. Hidayatullah Mokkal, Director Manpower and Training Punjab during the weekly 'Bil-mushafa' programme broadcast from Lahore Station of Radio Pakistan on Friday night. According to him the technical centres are likely to be set up at Pindi Gheb, Dipalpur, Muzaffargarh, Lieah and Kot Addu and Vehari. Meanwhile he said, technical training centres, already established at Sahiwal and Sargodha would start functioning within the current financial year. Construction work for this purpose is also in progress at Bahawalpur, Mianwali and Kasur.

After explaining the progress of Technical Training Centres

being run by the Manpower Directorate with the assistance of Holland and Germany. Mr. Mokkal said that Employment Exchanges in the province helped more than 40,000 persons in securing jobs during the last six years.

Speaking about the provision of job opportunities for handicapped and disabled persons, the Manpower Department spokesman said that in pursuance of the directive issued by the President of Pakistan, such persons were being enlisted at all employment exchanges.

According to Mr. Mokkal arrangements for registration of unemployed at the employment exchanges have meanwhile been streamlined and a new and effective procedure has been evolved for the convenience of job-seekers. The registration work has been entrusted to an officer and separate arrangements have been made for registering the names of trained womenfolk, he said.

CSO: 4600/709

## CAMPAIGN TO ISSUE IDENTITY CARDS STARTS

Islamabad THE MUSLIM in English 16 Jun 83 p 3

[Text]

ISLAMABAD, June 15: A nation wide campaign for the issuance of the National Identity Cards to the eligible citizens began today.

According to the official sources here today, the campaign will continue for a period of two months. In all 344 mobile teams comprising of employees of the Directorate General of registration have been set up all over the country to visit the Union Councils for this purpose. Of these 226 in the Punjab 44, in N.W.F.P. 56 in Sind and 18 in Baluchistan.

Each Union Council in rural areas will be visited for four days. The teams will be accompanied by Photographers who will take photographs for the cards free of any cost.

The campaign has specially been launched for the people of rural areas. It is aimed at to facilitate the people at their nearest residential places to have the National Identity Cards. It may be mentioned here that non-possession of Identity Card is an offence punishable under the Registration Act, 1973.

According to the sources, the teams will work with the co-operation of Chairmen of Union

Councils. It will take care that no person left without Identity Card. The registration for those who are below 18 will also be made during this campaign.

The Identity Cards will be issued in a period of 15 days. Those who have not obtained the cards, so far, have been advised to consult the mobile teams for the purpose.

The official sources said that about 83 per cent of the total population has already been registered. The campaign will help to register the remaining people. They added.

The total Identity Cards issued so far are 3,73,63,432 of these 2,41,63,853 in rural areas and 1,33,99,579 in urban area. The province-wise break up is as Punjab 2,12,76,660, Sind 88,54,831, N.W.F.P. 45,46,858 and Baluchistan 13,49,043 besides Azad Kashmir 8,97,134, Northern Areas 2,33,303 and Federal Administered Areas 3,60,603. The total registration made, so far, is 7,15,57,583, according to the sources. The National Identity Cards are issued to the people of 18 years of age and above, while the below 18 were only got registered.

## PAKISTAN

### BRIEFS

MRD LEADERS HELD--QUETTA, June 13--Four leaders of MRD Baluchistan Khalid Khan advocate, Aurangzeb Kansî, Sajid Tareen and Arbab Zahir have been detained for a period of one month. They were arrested by the police on June 10, Meanwhile, Haji Ghulam Sarwar Vasinzi, Convenor MRD Baluchistan, Ali Ahmad Kurd, General Secretary Defunct PPP, Dr Inayatullah, General Secretary defunct NDP and Arbab Abdul Qadir Kansî a leader of defunct NDP, who was confined to their houses were released here yesterday after completion of 24 hour detention. [Islamabad THE MUSLIM in English 14 Jun 83 p 8]

EHSAN BARI RELEASED--MULTAN, June 13--Central Chairman of Inqalabi Council of Pakistan Dr Mian Ehsan Bari was released from District Jail against a surety bond of Rs.100,000 by the summary military court No,41 Multan. [Islamabad THE MUSLIM in English 14 Jun 83 p 8]

GOVERNMENT TO SEEK AID--ISLAMABAD, June 13--Pakistan will seek Rs. 1,000 million at the special meeting of Aid-to-Pakistan Consortium in December for the development of Baluchistan and Federally Administered Tribal Areas (FATA), during 1983-84. This was disclosed by the Federal Minister for Planning and Development, Dr. Mahbubul Haq, at a Press conference here today. He said the government in its annual development programme has allocated Rs. 22.2 million for the development of these least developed areas. Dr. Haq said that understanding had been reached with the external donors that 20 per cent of the cost of the project would be provided by the government while 80 per cent by the donor countries. He said, a number of projects have already been negotiated and some assistance is in the pipeline. [Islamabad THE MUSLIM in English 14 Jun 83 p 8]

SECOND AIRLINE PROPOSED--ISLAMABAD, June 17--The government proposes to consider the possibility of allowing a second airline in the private sector to operate on domestic routes only, Radio Pakistan reported here today. The suggested second airline would have to invest Rs 2,721 million for the purchase of eight aircraft, two of them will be air buses and twin jet aircraft. The government proposes to make an investment of 2720, million rupees during the next plan period to further improve the efficiency of the PIA, particularly in view of the projected increase in international air traffic by 7.1 per cent per annum in case of passengers and 10.5 per cent in case of freight. The rise in domestic air traffic the period is projected to increase by 7.8 per cent in case of passengers and 6.5 per cent per annum in case of freight. The

policy frame work for the PIA will be the consolidation of the route net work and traffics during the first half of the sixth plan period and moderate growth during the second half. It is proposed to increase the seat factors from 64.6 per cent this year to 67 per cent in 1987-88. Similarly the load factor for cargo will be increased from the 49.6 per cent to 51.4 per cent in 1987-88. It is proposed to effect improvements in liquidity position of PIA to generate funds for financing purchase of new aircraft. [Karachi BUSINESS RECORDER in English 18 Jun 83 p 1]

STUDENT LEADER FLOGGED--Multan, June 18: Five lashes were administered in new central jail of Multan to the Secretary General of Tehrik Talaba-e-Pakistan, Mohammad Salim Leghari, who was fasting. He was later hospitalised. It may be recalled that the Summary Military Court Multan awarded him 1 year R.I. and 10 lashes under MLR 13 and 18 for inciting students to subversion. Later, the DMLA reduced his sentence on the appeal of the student's mother. [Text] [Islamabad THE MUSLIM in English 19 Jun 83 p 6]

MUSLIM LEAGUE WORKERS BOOKED--Gujranwala, June 18: Hafizabad police on Thursday booked as many as nine workers of the Pakistan Muslim League (K.K. group) under 16 MPO for taking part in political activities. It may be mentioned here that on the eve of arrival of the provincial leaders Sheikh Bashir Ahmed and Ghulam Rasool Sundhu on June 10, the workers, had assembled to have discussion on different organisational issues. Those against whom the case has been registered include Abdul Rashid, Hidiyat Ullah, Rana Luqman, Advocate, Rana Abdul Rehman, Jameel Ahmed Khan, Khan Mohammad, Shakeel Ahmed, Mohd Arif and Sheikh Bashir Ahmed. All the accused except Sheikh Bashir Ahmed were granted interim pre-arrest bail up to June 22 by the Sessions Court. M.C. [Excerpt] [Islamabad THE MUSLIM in English 19 Jun 83 p 6]

TI TO CONTACT MRD--Peshawar, June 18: The defunct Tehrik-e-Istiqlal is likely to establish a contact with the MRD Secretary General Khairuddin to solve the mystery of the special messenger, who was supposed to deliver the MRD reply to the Tehrik's communication on the 31-point issue. Party sources told 'THE MUSLIM' here today that the MRD meeting where the draft of the reply was said to have been approved was held in Karachi on June 3 and if Khawaja Khairuddin was to be believed the reply should have been received by the acting President of the Tehrik Syed Munir Shah here within a week or so. The whereabouts of the messenger were however not known and the Tehrik was now planning to contact the MRD Secretary General on the subject. The party sources added that the future course of action on the 31 points was to be decided by the Central Committee of the T.I.P. in the light of the MRD reply but because of the mysterious delay there was hardly any possibility of the committee meeting being held before Eid. Whether the reply was received or not the Central Committee will be meeting shortly after Eid to deliberate the whole issue. [Text] [Islamabad THE MUSLIM in English 19 Jun 83 p 8]

MILITARY COURTS POWERS--Rawalpindi, June 18: The Chief Martial Law Administrator has promulgated Martial Law Order No. 93, under which a military court shall have power to punish any person found guilty of contempt of that court, says a handout issued by the CMLA office here today. This Martial Law Order shall come into force at once and shall have effect notwithstanding anything contained in any other law for the time being in force. A military court shall have power to punish any person who interferes with, obstructs or abuses its process or disobeys any order or direction of the court or does anything which tends to prejudice the case of any party before it, or tends to bring it or any of its members in relation to it anything which, by law, constitutes contempt of court, with rigorous imprisonment for a term which may extend to six months, or with fine which may extend to five thousand rupees, or with both.--APP [Text] [Islamabad THE MUSLIM in English 19 Jun 83 p 8]

RS 32 B INVESTED ON WATER RESOURCES--Karachi, June 17: The Federal Government envisages an investment of rupees 32 billion for the development of water resources by the public sector during the Sixth five year plan period. Recognising water as the most important input for agriculture, the Sixth five year plan envisages that irrigation water will increase by 11.14 percent from the current level of 101.22 MAF (million acres feet) to 112.5 MAF at the end of the Sixth five year plan period. Of the increase of about 11.28 MAF 6.44 MAF would come from surface irrigation projects while 4.84 MAF from the ground water reservoir. The highest contributor to the ground water additionality would be private sector as its tubewells would pump about 3.63 MAF additionally. According to official figures rupees 1.5 billion are likely to be invested by the private sector for the installation of about 25,000 tubewells during the plan period. The major investment in this field, however, will be for enhancing the water availability and alleviating the problem of water logging. "The most important programme," it is stated, would be that of drainage and reclamation, claiming 44 percent of the total water sector investment.--APP [Text] [Lahore THE PAKISTAN TIMES in English 18 Jun 83 p 8]

GOVERNOR THANKED FOR DEVELOPMENT--A representative jirga of Mohmand Agency called on the NWFP Governor Lt Gen Fazle Haq in Governor's House, Peshawar, on Monday. The jirga thanked the Governor of NWFP for the special interest evinced by the present government in the speedy development of the area. They lauded the pace of development which has accelerated in the agency due to substantial budgetary allocations during the last few years. They also apprised the Governor of certain other points concerning the agency. Also present on the occasion were Mr Zafar Ali Khan, Advisor to the Governor, Commissioner of Peshawar Division and P.A. of Mohamad Agency. [Text] [Peshawar KHYBER MAIL in English 21 Jun 83 p 1]

FAO ASSISTS PAKISTAN--Islamabad, June 21: The Food and Agriculture Organisation (FAO), will give assistance to Pakistan for evolving better marketing system. Dr. John C. Phillips, the FAO representative to Pakistan, told here today that FAO is already assisting Pakistan, in the cotton marketing which will increase the international value of 'Pak cotton' by about eight percent. He said that FAO, helped in grading and classifying cotton qualities according to the requirements of the international market ensuring increased income. He said that due to the poor marketing, various food items might perish. He said

that FAO was also helping in the marketing of apples for Baluchistan. About the reported partial damage to the potato procured by the Agricultural Marketing and Storage Limited (AMSL), he said "we can offer assistance for the marketing of the commodity if asked." He said that the experts of FAO were working with the scientists of the Pakistan Agricultural Research Council to evolve new type of feed for livestock in the country. He said that the new feed will be of better nutritional value, cheap and according to the physical requirement of various animals.--APP. [Text] [Islamabad THE MUSLIM in English 22 Jun 83 p 3]

REPLENISHMENT OF FOREST RESOURCES PLANNED--Islamabad, June 21: An energy plantation project, the largest single renewable energy project aims at producing five to six million tons of firewood by 1992-83, will be undertaken during the Sixth five year plan, informed sources said here today. Under the project around ten million trees will be planted over ten years. This is equivalent to about 60 to 80,000 hectares of plantation annually, a small fraction of the country's 19 million hectares of cultivated land. The main emphasis of the project is on training and building up a large cadre foresters and extension workers to keep liaison with farmers and villagers. The total cost of the project is estimated to be Rs. 612 million during the Sixth Plan. Pakistan consumes about 13 million tons of firewood each year. This is expected to increase to 22 million tons by the year 2000. Replenishment of forest resources is essential to maintain future supplies at prices which can be afforded. The shrinking of forests deprives the soil of an important natural fertiliser. Because of these trends, there is urgent need to increase the supply of firewood and other biomass, cooking stores, etc. [Text] [Islamabad THE MUSLIM in English 22 Jun 83 p 3]

NATIONAL TRUST FOR HANDICAPPED--Islamabad, June 21: An autonomous national trust for the handicapped will be set up in the country during the Sixth five year plan, it was learnt here today. The trust will be created to initiate, steer and execute all the federal programmes and projects for welfare and rehabilitation of the handicapped. It will ensure easy, speedy and effective implementation of programmes for the disabled viz the blind, the mentally retarded, the deaf and mute and other physically disabled. The Government is laying special emphasis to rehabilitate disabled persons by early detection and in the long run by catering to their educational training needs. In 1983 the number of children alone suffering from disabilities has been estimated as 3.74 million. This included 740 thousand children with severe disabilities and 3.00 million with varying nature and intensify of handicaps. Presently there are 120 institutions on the ground in public and voluntary sectors which would be streamlined and updated during the Sixth Plan period. Besides the existing educational and training facilities would also be enhanced.--PPI [Text] [Islamabad THE MUSLIM in English 22 Jun 83 p 3]

BALUCHISTAN TO DEVELOP AGRICULTURE--Islamabad, June 21: Baluchistan will be the new agrarian frontier of the country during the Sixth five-year plan, and to growth momentum is to emanate from agriculture rather than mining, official sources disclosed today. An investment programme of Rs. 792 million has been proposed for the development of agriculture and its allied sub-sectors of animal husbandry, fisheries and forestry. The main elements of the agriculture



programme are strengthening and expanding of the provincial agriculture research, extension and marketing leading to higher produce per acre and higher returns from marketing to growers. The main limitation on the exploitation of the provincial land resources being water, the Sixth Plan awards the highest priority to the development of this critical resources. To install as dependable and adequate irrigation system an investment programme of Rs. 2.3 billion is proposed for the water sector. The plan strategy for the water sector has the elements of expanding the present surface irrigation, by constructing dams and expansion of canal discharge, rehabilitation of silted irrigation works and recharge of underground water. It is envisaged that the planned water sector development programme will augment irrigated cultivated area by an additional six lakh acres during and immediately after the Sixth Plan period and carry over an equal potential into the future. Some of the major projects in various stages of the project life cycle and implementation are Mirani Dam, Kush Dil Khan Dam, Badminzai Dam, Pat Feeder Canal, and a cluster of small irrigation schemes.--PPI [Text] [Islamabad THE MUSLIM 22 Jun 83 p 8]

FUNDS RAISED FOR MEDICINE--Washington, June 21: A private humanitarian group yesterday announced to raise up to four million dollars' worth on medicine for Afghan refugees. "This is very much in the American tradition of people helping those who are less fortunate," said Zbigniew Brezinski, former President Jimmy Carter's National Security Advisor. Mr Brezinski told a news conference that the aid would go to help an estimated 33 million Afghan refugees who have fled into neighbouring Pakistan since the Soviet intervention in Afghanistan began in 1979. The aid is being sponsored by the American foundation, a Connecticut-based private foundation that has also sponsored recent shipments of food and clothing to Poland and Lebanon. President Ronald Reagan endorsed the effort in a letter to the group, calling the programme a heart-warming effort "to help alleviate the suffering of these unfortunate people." Mr Brezinski said the group is trying to raise about 40 tons of medical supplies that would be flown to Pakistan in August and distributed among refugee camps along the Afghan-Pakistan border. "This is not a political effort," Mr Brezinski said, "our overriding goal is to help alleviate the suffering." The aid will only go to refugees in Pakistan, he explained. "Given the current state of relations, it would not be appropriate for us" to try to distribute the supplies inside Afghanistan, where the Soviet military and Soviet-backed Government have been fighting anti-Soviet guerillas.--APP [Text] [Islamabad THE MUSLIM in English 22 Jun 83 p 8]

PACE OF INVESTMENT SATISFACTORY--Islamabad, June 21: The approved investment in manufacturing have touched new heights for the period from July 1977 to March 1983 while the pace of implementation of the investment have also been fairly satisfactory. This has been revealed in the study recently conducted by the Ministry of Industries regarding the restoration of confidence in private investment in manufacturing sector of the country. The study gave a detailed account of the measures taken by the government over the years including returning of hundreds of units to their original owners, to reactivate the private investment in manufacturing by restoring confidence. The study says that the investment of Rs. 46.4 billion sanctioned during 1977-83 is more than

double the investment sanctioned over the previous 17 years (1960-77) and has exceeded the plan targets in respect of nine industry groups viz food, textiles, paper, rubber products, synthetic and fertilizers, non-metallic mineral products, electrical apparatus and service industries. Among them the sugar manufacturing holds the largest share in the investment sanctioned in the food group. By provinces, the projects in Punjab involving an investment of Rs. 6,835 million or 60 percent of the total realisation are in operation or nearing completion or under construction, the share of sind is 26 percent coupled with hub of Karachi, the share would come to about 33 percent. This leaves the share of Baluchistan at 241 percent, NWFP share in implementation is only 4.4 percent, the study added.--PPI [Text] [Islamabad THE MUSLIM in English 22 Jun 83 p 8]

APPEAL FOR REFUGEES--GENEVA, June 24--The League of Red Cross Societies on Thursday appealed for 2.5 million dollars in aid for some 100,000 Afghan refugees recently arrived in Pakistan. The Geneva-based League, which functions as a permanent liaison group for national Red Cross Societies, said the money would go to help the Pakistani Red Crescent in its relief programme for Afghan refugees. The money would also be used to create a programme for ophthalmological treatment for Afghan refugees as well as Pakistani. [Karachi DAWN in English 25 Jun 83 p 10]

KARACHI'S FAIR SHARE DEMANDED--The Secretary-General of the Karachi Suba Tehrik, Mr. Abdul Majeed, has criticised the treatment meted out to Karachi in the federal and the Sind budgets. In a statement, he claimed that Karachi provides almost 50 per cent of the revenue in the form of taxes and excise duties to the national exchequer but it does not receive even 10 per cent of the revenue generated through this city. He maintained that in the year 1983-84, only one per cent has been allocated in the Federal Budget for Karachi. He said the problem of Karachi can only be solved by an elected assembly. [Karachi DAWN in English 25 Jun 83 p 12]

IMPORT FIGURES BREAKUP--The break-up of imports by economic categories reveals that the share of consumer goods and industrial raw material for capital goods in total imports declined during July-March 1982-83 while that of capital goods and industrial raw material for consumer goods moved upward, according to official sources. Imports of consumer goods during July-March 1982-83 were recorded at Rs. 7,488 million compared with Rs. 7,126 million during the same period last year. Their share in the total imports fell to 14.99 per cent from 16.9 per cent in July-March 1981-82. The import of raw materials for consumer goods and capital goods showed substantial increase in their values and stood at Rs. 25,318 million and Rs. 14,433 million, respectively, during July-March 1982-83 as against Rs. 20,191 million and Rs. 11,341 million during July-March 1981-82. Their share in the total imports during July-March 1982-83, respectively, recorded at 50.5 per cent and 28.8 per cent compared with 47.7 per cent and 26.8 per cent during the same period last year. Imports of raw material for capital goods witnessed a decline of 19.3 per cent and amounted to Rs. 2,933 million compared with Rs. 3,632 million during July-March 1981-82. [Karachi DAWN in English 25 Jun 83 p 12]

CONSUMPTION OF ENERGY SURVEYED--The total primary energy consumption is currently around 23 million tons of oil equivalent according to an official study. Of this two-third is met by commercial energy resources with about one-third of the consumption being based on non-commercial energy resources like firewood, charcoal and cowdung. Oil and gas account for more than three-quarters of the energy consumption. Gas has emerged over the years as the leading domestic source of energy, partly replacing coal. Pakistan has large coal reserves though of low quality. Oil is by and large an imported source of energy. Imports of oil accounting for 90 per cent of oil consumption in the country and 535 per cent of commercial energy consumption. Oil is produced in relatively small quantities from a number of fields many of which are old and depleting. Recently, oil production has been supplemented by development of meyal. Now oil discoveries at Adhi and Khaskheli have helped offset the decline in production from old wells and to maintain the ratio of domestic production. [Karachi DAWN in English 25 Jun 83 p 12]

AVAILABILITY OF POTABLE WATER--Potable water supply facilities are currently available to only 38 per cent of the population in the country. According to an official report about 77 per cent urban and 22 per cent rural population have facility of potable water. The report says drainage and sanitary facilities of acceptable standard are available to only about 16 per cent--48 per cent in urban and 4 per cent in rural areas. Access to piped water supply is limited to only large urban centres approximately 30 per cent of urban population with access to piped water supply have house connections the balance being served by standposts of public taps. [Karachi DAWN in English 25 Jun 83 p 12]

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